# FINANCIAL TIME



Bosnian nightmare Will the UN have any peace to keep?



Catching copycats Using biotech to combat fraud



Philippine factor Supplying Asia with managers



SATURDAYS Weekend FT Serious novel, silly money

#### **Canadian property** developer goes into bankruptcy

Ailing Canadian property developer and housebuilder, Bramalea, has gone into bankruptcy, leaving its creditors free to seize more than C34bn (US\$2.9hn) of office buildings, shopping malls and undeveloped land across North America. The Toronto-based company, which was in the process of selling off its assets, is the latest in a string of big Canadian developers which have struggled to survive the North American property slump under a heavy debt burden. Page 15

Travel booking system expands: Amadeus, the computerised reservation company owned by airlines Air France, Lufthansa of Germany and Iberia of Spain, is acquiring the reservation system of US carrier Continental Airlines, creating the world's largest travel booking network. Page 14

Sabena deal set for approval: The Belgian government is expected to approve Swissair's plan to acquire 49.5 per cent of Sabena, the troubled state-owned airline which yesterday announced a modest reduction in losses for last year, compared with 1993. Page 15

US anti-terrorism pledge: US Congressional leaders predicted swift action to enact new laws to meet the threat of terrorism following the Oklaboma City bombing. Searchers have found 11 more bodies bringing the confirmed death toll over 100.

dela cuts jall sentences: President Nelson Mandela marked South Africa's first year of democracy by cutting the sentences of tens of thousands of prisoners in overcrowded jails. Page 4



US president Bill Clinton and Russian president Boris Yeltsin discussed the "important problems" they will face at next month's summit. Clinton spoke by telephone for 30 minutes with the Russian leader after private talks at the White House with Russian foreign minister Andrei Kozyrev (left).

The US described both discussions as "positive and

Russian leaders at odds: Russian prime minister Victor Chernomyrdin said all government ministers would join the new centrist political movement he was creating but his claim was imme-diately rebuffed by foreign minister Andrel Kozyrev. Page 2

Concern over Churchill papers deal: The decision to use £14m (\$23m) in money from the Brit-ish national lottery heritage fund to buy the papers of wartime prime minister Sir Winston Churchill, has provoked concern. Page 8

**Spanish face fishing ban:** Thousands of Spanish and Portuguese fishermen may have to stop fishing off Morocco from Sunday night due to the delay in negotiating a new licensing agreement between the EU and Morocco. Page 4

Chile begins free trade talks next month: Negotiations over Chile's accession to the North American Free Trade Agreement will begin late next month, according to Chilean officials. Page 5

World Bank urged to be 'creative': The World Bank and regional development banks were told they must be "more flexible and creative" if they are to have a significant effect in promoting private sector investment in developing nations.

7 172 -

Rwandan refugees refuse to leave: The last 500 Hutus trapped at Kibeho camp in south-west Rwanda, where thousands were killed at the weekend, rejected government appeals to surrender. President Pasteur Bizimungu went to the camp to try to end the siege peacefully. Rwanda exhumes camp victims, Page 4

Rise in Japanese output: Japan's industrial companies increased output for the first time in four years in the 12 months to March, but the recovery is likely to be shortlived. Page 6

Poland plans limits on newspaper control: Poland is planning a law to limit foreign ownership of newspapers and magazines to no more than 45 per cent. Page 3

Asean allows Vietnam time: Asean members will give Vietnam extra time to comply with the organisation's swift tariff reduction commitments when the country becomes a full member in July.

AX 2,626.08 (-3.45	London: close\$387.3 (388.6)
low Jones Ind Av	7) (June) _\$389.9 (388.0) 1) London: close _\$387.3 (388.6)
ASDAO Composite	Londos: 3 close\$387.3 (388.6)
herope and Far East AC(0 1,830.96 (-11.36 AX 2,926.08 (-3.45 AX 3,217.6 (-8.65)	3 close\$387.3 (388.6)
AC40 1,831.96 (-3.45) AX 2,626.08 (-3.45)	3
AX 2576 (-8.6	- DOLLAR
T DE 100 321JB 1-93	
	)} = <del></del>
lidel 16863.99 (+57.50	
	£1.8185
US LUNCHTIME RATES	_ ] DM1.3745
ederal Funds	ffr4.8735
min Trees Bills: Yid5.848%	SF71.134
ong Bond10333	Y83.5
arg 50167.32	
18KG	London:
OTHER RATES	1.6178 (1.6108)
V: 2 mg interhenk 652% (7%)	DM1.3734 (1.3811)
K: 3-mo interbank	
IC: 10 yr GR	SFr1.1325 (1.1407)
K: 3-mo interback	
ermany: 10 yr Buno	
space 10 yr JGB108.651 (109.081)	
	DM
HORTH SEA OIL (Argus)	Talous close Y 83.9
rent 15-day (Jun)\$18.95 (18.65)	Takye close: Y 83.9

# Russian gas blast renews fears over industry's safety

A massive gas explosion in northern Russia, which yesterday sent a column of fire shooting hundreds of feet into the sky and set a forest ablaze, has raised fresh alarm about the country's rapidly decaying industrial infra-

The hlast in the Komi republic, 800 miles north-east of Moscow, comes just after the ninth anniversary of the Chernobyl nuclear eccident, and follows a series of oil and gas pipeline ruptures. The environment ministry esti-

mates that 14-16 per cent of the Russian land mass is classified as 'environmental disaster zones". Even though many accidents are in remote regions, the ministry estimates that about 40m people live in affected areas. The intensity of yesterday's

hlast was so great that it alarmed passengers on a passing Japanese jet. Tokyo currency dealers pushed the US dollar higher in early trading after hearing of the hlast, and oil traders said the accident was responsible for prices reaching a nine-month high yesterday. Brent Oil finished 30 ceots up at \$18.95. No deaths or injuries were reported, but the blast high-

MOSCOW KOMI

lighted the state of Russia's age ing oil and gas infrastructure in the region. Mr Alexander Shuvalov, a spokesman for the Greenpeace environmental organisation, said: "Incidents of this kind happen every week in Russia."

The worst gas explosion in Russia occurred in 1989 when more than 400 people were killed in Siberia in a blast which engulfed a passing train. But Russia's gas industry was

quick to defeod its safety record yesterday, claiming almost all its pipelines met the strictest inter-

Japan's industrial ontput rose for

the first time in four years in the 12 months to March, but the recovery is likely to be short-

per cent in March, as companies recovered fast from the Kohe aarthquake. That brought the

increase for the fiscal year to

3 per cent, close to what the mar-

ket was expecting, according to

the latest survey by the Ministry

of International Trade and Indus-

However, the companies sur-

veyed by the ministry expected

growth to slow to 1.2 per cent

this month and then go into reverse in May, with a forecast

Russian officials said yesterday's hlast was caused by a leaking gas pipeline and was a "nor-mal explosion" which was "nothing to worry about". Gazprom, the giant gas group which owns the pipeline, said 4m-5m cu m of gas were hurned off before fires died out.

Infrastructure problems appear far worse in the oil iodustry where thousands of leaks are reported every year because of the poor state of repair. According to Greenpeace estimates, about 73 per cent of Russia's oil pipelines were built more than 10 years ago, with 10 per cent more than 35 years old.

Environmentalists claim the number of oil leaks raported in the Koml republic alone rose from 51 in 1986 to 2,470 last year. Russian oil workers are still clearing up the remnants of more than 100.000 tonnes of oil spilled near Usinsk, in Komi, last October - that spill was estimated to be three times larger than the Exxon Valdez disaster which contaminated the Alaskan coast.

The World Bank has lent \$99m to help clear up the Komi oil spill, which threatens to spread further damage across Russia's

a series of warning signs that the

Japanese recovery may be on the

point of evaporating, is based on

a steady rise in stocks of unsold

goods since the start of the

early this year will start having negative effects on the economy

as early as this summer, and the

possibility of an economic down-

turn is quite high," said Masaru

Takagi, chief economist at Fuji Research Institute.

"The yen's appreciation since

### Comfort amid Bosnia's brutality



are provided for 35-year-old Nedzad Ferhatovic during the funeral of his brother, Nihad, 21, killed recently on Sarajevo's front line. While the Bosnla's nightmare brew, Paga 13

Potuma AP

Mr Masayoshi Takemura, the year 0.5 per cent ahead of the

rises in unsold stocks have been

Weak Japanese consumer

demand will be the main factor

in the initial likely drop in out-

put hut the yen's recent sharp

rise will start to take its toll on

export sales after July, said Miti

officials. By then, export con-

tracts signed at the end of last

year, before the yeo rose to its

current beights, will bave

expired and new contracts will be

a prelude to drops in output.

Rising levels of unsold stock and recent

appreciation of yen give cause for concern

national Monetary Fund meeting

in Washington on Wednesday

that the yea's rapid appreciation

against the US dollar had cast a

shadow over Japan's recovery. The dollar, which began the

year at 101.45 yen, plunged to to a

post-second world war low of

79.75 yen on April 19. It recovered

Miti's report said inventories rose by 1.1 per ceot from February to March, the third monthly

rise running, bringing the full

to about 83.50 yesterday.

Japanese car exports fell by 5.9

per cent in the year to March, the

third annual drop running, led by

a 13.4 per cent decline in exports

to Europe, the Japan Automobile Manufacturers' Association said

yesterday. Within this, however,

rose, by 2.6 per cent, for the first

Japanese consumer demand was

underlined yesterday by a 2.1 per

cent decline in sales by super

markets and department stores

in March, reported by Miti. Their

turnover started to drop at the

end of last year after what

proved to be a short-lived sum-

mer upturn, and big stores' sales

have since been on the decline

for four months running.

Separately, the weakness of

Japan's car exports t

time in eight years.

### Setback for Rise in Japanese output may be shortlived **Microsoft** plans to take over

in San Francisco

The US Justice Department has filed legal suit to block Microsoft, the software group, from going ahead with its planned \$1.5hn acquisition of Intuit, the leading supplier of personal finance software, on the grounds that it is anti-competitive.

The decision is e severe sethack for Mircosoft, which has grown so large in the software market that it is finding it increasingly difficult to expand without provoking accusations of anti-competitive practices from rivals. The company is already involved in a separate court case over a four-year Justice Department antitrust investigation. Microsoft, the world's largest

software company, announced its intention to acquire Intuit in October for \$1.5bn in stock. The acquisition, which would be the biggest in the software industry, is a central element of Microsoft's plans to become a leading provider of online services with the launch this summer of its Microsoft Network

Ms Anne Bingaman, bead of the Justice Department's anti-trust division, said: "Allowing Microsoft to buy a dominant position in this highly concentrated market would likely result in higher prices for consumers who want to buy personal finance software and would cause those buyers to miss out on the huge benefits from innovation."

Intuit's product, Quicken, enables users to organise finances and pay bills electroni-cally. To avoid antitrust problems, Microsoft said it would sell its own personal finance software product, Microsoft Money, to Novell, another software vendor, for a nominal fee. This arrange ment has not satisfied the Justice

Department.
"Novell simply can't replace Microsoft - with its leading position in the personal computer software industry - in competing against an entrenched, dominant chemicals recovery By John Ridding in Paris

Rhône-Poulenc, the French chemicals and pharmaceuticals group, yesterday announced a fourfold increase in net profits to FFr732m (\$152.5m) for the first quarter of 1995, and forecast a rise in earnings, although at a less spectacular rate, for the full

The performance highlights both the strength of the recovery in the European chemicals industry and the extent to which the users of chemicals are having to cope with higher prices. Rhône-Poulenc's improvement was in line with results reported

by most other European chemical companies which hava also benefited from an upturn in demand and prices for industrial chemi-cals. ICI, the UK group, yesterday reported a 137 per cent increase in first quarter pre-tax profits to £244m after exceptional items. Mr Jean-Pierre Tirouflat. Rhône-Poulenc's finance director, said tha first quarter results reflected the rise in operating income, productivity gains and

forecasts of a "noticeable 1995". He said a double-digit rise was likely, compared with net profits of FFr1.92bn last year.

According to Mr Tirouflet, the improvement in operating income, which rose by 26 per cent to FFr2.1bn, reflected productiv-ity gains and improved sales across the group's divisions. Turnover increased by 7.5 per cent, to FFr21.6bn. The rise in sales and operating

profits was higher after taking into account changes in the group's structure. Such changes, which included the establishment of a joint venture in vaccines with Merck of Germany, reflect a fundamental restructuring in the French group'a operations over the past few years.

The establishment of the joint

venture meant that operating profits in the health division declined by 11 per cant to FFr1.09bn. Even on a comparable basis, however, operating income was limited to only a slight increase because of the impact of currency effects. The weaker dollar, for example, reduced income in French franc terms by about

Continued on Page 14 Lex, Page 14; ICI results, Page 15; Akzo and Montedison, Page 16

#### Rhône-Poulenc up "Im arriving tonight and I have no time to pack. How much do I have to bring?" sharply in Europe's

up for negotiation.



How much would you like to bring? Our calets can press your suit—or a week's worth of them—in an hour. Our spacious mome office you hairdryers and thick bathrobes; our health clube. gear from running shorts to aembics shoes. And our 24-hour concierges are poised to evide anothing you intended to bring, but didn't—from a sales presentation on a provide anothing you intended to bring, but didn't—from a sales presentation on a disk, to a best-seller. Hard cover or audiotape. In this value-conscious FOUR SEASONS HOTELS era, the demands of husiness demand nothing less. For reservations, please telephone your travel counsellor or call Four Seasons Hotels toll free. Form Seasons - Rece-

Four Secures Regent. Defining the art of service at 40 holels in to a need rice.

Continued on Page 14 | ter of 1994, but confirmed group

associated companies.

ased contribution from

He cautioned that the rise was flattered by the impact of recession on results in the first quar-

Share information \_\_\_\_\_\_26,27

© THE FINANCIAL TIMES LIMITED 1995 No 32,661 Week No 17

LONDON - PARIS - FRANKFURT - STOCKHOLM - NEW YORK - TOKYO

terlusc tees pe

US president urges move to permanent ceasefire in telephone call

# Clinton warns Yeltsin on Chechnya

By George Graham in Washington and John Thomhill

President Bill Clinton warned President Boris Yeltsin yesterday that the three-week ceasefire he has ordered in Chechnya has not allayed his deep concerns ahout Russia's suppression of resistance in the

rebellious region. In a 30-minute telephone conversation intended to pave the way for their summit in Moscow next month, Mr Clinton told his Russian counterpart that he welcomed the order to stop fighting, but still wanted to see it turned into a

Chechnya is only one of a number of contentious issues on which Russia and the US

remain deeply divided. US officials continua to predict "important progress" in their relationship at the May 10-11 summit, hnt have few hopes of resolving disagreements soch as Russia's sale of nuclear reactors to Iran, or its hostility to the expansion of the North Atlantic Treaty Organisation.

Mr Andrei Kozyrev, Russia's foreign minister, met Mr Warren Christopher, his US counterpart, for lengthy talks on Wednesday to prepare for the summit, and briefly visited Mr Clinton at the White House yesterday. But Mr Christo-pher's suggestion that the sum-mit would allow the US and Russia "to manage our differences constructively" fell short of unbridled optimism.

Mr Yeltsin ordered the uni-

lateral ceasefire to come into effect from 8pm last night but said Russian forces would defend themselves if they came undar attack. General Pavel Grachev, defence minister, vowed Russian forces would maintain a state of readiness. "We will answer even one shot with a barrage," he said. Russian leaders have called for ceasefires in Chechnya before but they have been frequently violated

The order calls for a halt to all military action in Chechnya until May 12 when the foreign leaders visiting Moscow for the forthcoming VE day celehrations, including Mr Clinton, will have departed.

Mr Klaus Kinkel, Germany's foreign minister, yesterday expressed alarm about Russia's



Yeltsin: warned on ceasefire

tant arms control treaty hy deploying additional forces in the north Caucasus, "The Con-

Treaty, as a pillar of the European security system, is too important to be jeopardised by unilateral measures," he said. Earlier this week, General Vladimir Semyonov, head of Russia's ground forces, said he planned to deploy a new army corps in the north Caucasus to help stabilise the region around Chechnya even though this would violate the arms

vantional Forces in Europe

of forces stretching from the Atlantic to the Urals. Russian army officers, who have condemned Nato's plans to expand eastwards, have previously threatened to hreak the accord if central European states were admitted to the western defence organisation.

accord. The CFE treaty sets

strict limits for the deployment

### **Brittan supports** overhaul of EU-US relations

By Lionel Barber in Brussels

Sir Leon Brittan, EU trade commissioner, yesterday joined a growing, if diffuse chorus in Europe in favour of overhauling ties with the US, possibly through a new transatlantic treaty.

In a speech in Brussels, Sir

Leon warned that there was a risk of a vacuum developing between the European Union and the US in the wake of the end of the Cold War. Though the relationship was funda-mentally sound, it was time to look for new ways of strength-

ening political and economic ties.

"We are not going to stay together ont of nostalgia," said Sir Leon, repeating the words of Mr Newt Gingrich, the Republican speaker of the blocs as the party of the presi-

House of Representatives. In his address to the American Club in Brussels, Sir Leon said he had an open mind about the possibility of a free trade area, but it was important not to be carried away hy seductive but impractical

A classic free trade area required dismantling all tar-iffs and would have to be com-patible with the rules of the new World Trade Organisation. But this would be difficult for both sides, particularly in agriculture and

"I do not see the EU agreeing to eliminate all tariffs on its agriculture trade with the US for the sake of a free trade agreement," he said.

A second problem was whether to consider an EU-US trade area, or the more attrac-tive EU-Nafta free trade zone. The drawback was negotiating with Canada and Mexico as well as the US.

Sir Leon appeared to lean in favour of scrapping technical

A classic free trade area would be difficult. particularly in agriculture and textiles

(£248hn) annnal bilateral trade flow, such as mutual recognition of standards and increased co-operation on competition policy in a new transatlantic economic space".

Turning to security, Sir Leon acknowledged US frustration over Europe's delay in forgiog a genuine common foreign and security policy, and the scars created by divisions over policy toward Bosnia.

It was "intensely desirable" to create a European pillar inside the Nato alliance which in certain cases could act ontside Nato, he said. But such a move depended on a successful conclusion to next year's intergovernmental conference to

review the Maastricht treaty. Sir Leoo made no reference to the collapse of the dollar, and avoided floating ideas for closer monetary co-operation though complaints in the German husiness community suggest this is the most important source of strain between the

US and Europe. instead, he called for both sides to focus on tasks such as the need to tackle environmental degradation, international crime, and terrorism. A new forum in which representatives of the US Congress, EU national parliaments and the European parliament could meet would bolster efforts to huild a common agenda.

#### **EUROPEAN NEWS DIGEST**

### US initials more aviation accords

The US yesterday initialled air transport agreements with Denmark, Sweden and Norway, following accords with Austria Finland, Luxembourg, Belgium and non-EU members Switzerland and Iceland. The latest agreements came a day after Mr Neil Kinnock, EU transport commissioner, won Commission backing for plans to give Brussels a wide mandate to negotiate civil aviation accords with the US.

Mr Kinnock, who asked EU member states to halt negotiations with the US, believes a better agreement can be achieved by the EU negotiating as one body. A commission official said he hoped member states would be convinced the Commission mandate was a better way forward and would produce a better result.

US transport department officials said the agreements would end restrictions on bilateral air travel and allow airlines of each side to operate air services from any point in one country to any point in the other, as well as to and from third countries. No date had been set for the formal signing of the

agreements or their implementation.

Mr Kinnock's proposal still has to win the approval of member states, some of whom, particularly Britain, are against ceding negotiating powers to Brussels. The Commissioner has threatened to take member states to court if they implement deals which break single market regulations. The Commission could begin legal proceedings against some member states as early as next month. Caroline

#### Turkish MPs retaliate

Turkish MPs said yesterday they would break off relations with the Council of Europe in protest at a threat hy its assembly on Wednesday to suspend Turkey because of its incursion against separatist Kurdish guerrillas in northern Iraq. Kemal Mimaroglu, of the ruling True Path Party, said Turkey's parliamentary delegation "will no longer take part in any activities and refuse all co-operation" any activities and refuse all co-operation."

any activities and reruse all co-operation.

The Council's 34 member states passed a resolution calling on its governing committee of ministers to suspend Turkey unless it showed progress towards withdrawing from Iraq before the EU summit on June 26. It also demanded a peaceful solution to the Kurdish problem and reform of Turkey's authoritarian constitution and security laws.

The European Parliament has aiready warned that ratification of a crucial EU-Turkey customs union this autumn will depend on political reforms and respect for human rights. The Turkish army has already withdrawn two-thirds of the 35,000 troops sent to Iraq in March and the remainder are to pull back by the end of May. John Barham, Istanbul

Slovaks expect currency reform Slovakia's export-led growth and a strong build-up of foreign currency reserves have removed the need for the special clearing account set up for trade with the Czech republic and opened the way for full current account convertibility of the Slovak koruna, Mr Vladimir Meciar, the Slovak prime minister said yesterday. "We will be prepared for full current account convertibility before the end of the year. But the timing will be linked to a similar decision by Prague to make the Czech koruna externally convertible," he added.

At present, both currencies are internally convertible into foreign currencies, but neither are freely traded abroad. Since February 1993, Slovak trade with the Czech republic, its main. market, has taken place within the framework of an Ecu-denominated clearing agreement. The aim was to prevent bilateral trade suffering from a shortage of hard currency. A 10 per cent devaluation of the Slovak korona in July 1993 boosted Slovak exports but led to complaints from Czech traders. Over the last year, however, both Prague and Bratislava have seen a strong inflow of hard currency reserves and rising exports. Anthony Robinson, Bratislava

#### Telecom reforms 'dressed up'

A senior German telecommunications executive yesterday hinted that plans for the liberalisation of the German telecoms market may have been dressed up so as to make it easier for Deutsche Telekom, the state-owned monopoly, to get access to the lucrative US market. "What we have seen so far sounds very nice," said Mr Peter Mihatsch, a board member of the Mannesmann engineering group, which has become one of Germany's higgest private telecom operators. "I hope it was not just done to make it easier for Deutsche Telekom to get into France and the US." Deutsche Telekom is hoping to seal a strategic alliance with Sprint, the US long distance carrier, and get approval from the European Commission for its link-up with France Telecom, the French carrier. However, critics of the government's telecoms policy allege that liberalisation is being held up in Germany so that Deutsche Telckom can feather its nest and secure the highest possible price when it lists its first shares next year. Michael

#### Danes cut repo and CD rates

Denmark's central bank yesterday cut its two-week repo and certificate of deposit (CD) rates by 0.25 of a percentage point to 6.50 per cent in reaction to a strengthening of the krone. "We have cut the repo and CD rates because the currency situation permits it. This hrings us back to the normal 0.50 point gap between these rates and discount and key deposit rates," the central bank said. On April 6, the central bank cut the rates 0.25 of a percentage point to 6.75 per cent also due to a strong Danish krone. Denmark raised interest rates originally to defend the krone, lifting discount and key deposit rates one percentage point to 6 per cent on March 8 and the CD and repo rates both hy 1.50 points to 7 per cent the following day. At that point the krone had weakened to 4.08 against the D-Mark.

#### ECONOMIC WATCH

#### EU inflation edges to 3.3%

Inflation, annual % change in CPI 1993 95

Inflation in the European Union edged up to 3.3 per cent a year in March from a revised 3.2 per cent in the same month last year, the European Commission's statistics office said yesterday. Eurostat said the increase reflected rising inflation in Italy, Portugal and Spain since the start of this year hnt noted that since July 1992 the rate had remained fairly stable within tha 3 to 4 per cent range. Belgium and Finland had the lowest annual rates in March at 1.7 per cent, followed by France with 1.8 per cent, and Germany, the

Netherlands and Luxembourg with 2.3 per cent. Austrian inflation was 2.4 per cent, with Denmark and Ireland (February) on 25 per cent and Sweden with 3 per cent. The UK had inflation of 3.5 per cent, Iollowed by Portugal with 4.5 per cent, Italy with a provisional 4.8 per cent, Spain 5.1 and Greece with 10.3 per cent. Reuter, Brussels

■ Western Germany's consumer price index rose a preliminary 0.2 per cent in the month to mid-April and was up 2.3 per cent from a year earlier. That compares with March's final CPI increase of 0.1 per cent on the month and 2.3 per cent on the

year.
■ The Belgiao government said year-to-year inflation was a preliminary 1.71 per cent in April, compared to 1.74 per cent in Marcin.

■ Norway's unemployment rate in April fell to 4.6 per cent of the workforce compared with 4.9 per cent the month before.

# Russian leaders at odds over new party

By John Thornhill in Moscow

Mr Victor Chernomyrdin. Russia's prime minister, has claimed all government ministers will join the oew centrist political movement he is creating to compete in December's parliamentary elections promising a new era of stability in Russia's political life.

But Mr Chernomyrdin's claim was immadiately rehuffed by Mr Andrei Kozyrev, the foreign minister who is currently in Washington preparing the ground for next month's US-Russian summit. Mr Kozyrev said he had no intention of joining Mr Cherno"If I were to participate in the upcoming elections it would only be as an indepen-dent candidate," he said. Other ministers have yet to declare their positions.

Mr Chernomyrdin, who had long been viewed as a largely apolitical prime minister unattached to any parliamentary faction, announced on Tuesday that he would form a new electoral bloc to establish "accord

and stability" in Russia. President Boris Yeltsin promptly welcomed the move and suggested another left-ofcentre electoral bloc would soon he created hy Mr Ivan Rybkin, the parliamentary speaker, enabling a two-party system to evolve in Russia. Political analysts suggested Mr Yeltsin was trying to encourage the evolution of two

Deputies already refer to the party of the president's right hand and the party of his left hand

centrist political parties cutting out the extremists both from the communist left and the nationalist right, Recent

opinion polls suggest the popularity of Russia's communist and nationalist parties strongly outweighs the support for the shifting coalitions of factions which crowd the polit-

Mr Rybkin forecast two pow-erful centrist blocs could halp nullify the extremist threat and win two-thirds of the votes in parliamentary elections introducing an alement of sta-bility to Russia's volatile poli-

But Mr Yeltsin's political opponents pointed out the absurdity of trying to create parties from the top down rather than the bottom up. Parliamentary deputies are dent's right hand and the party of his left hand. The liberal Izvestiya newspa-per commented: "On the face

already referring to the two

of it, the new blocs should be rivals hut in fact they are two hranches of the same party. the party of power Mr Grigory Yavlinsky, the

radical economist who heads the liheral Yabloko faction, also expressed scathing criticism, describing the situation as like "a puppet theatre for which bad scriptwriters prepared a new scenario, helieving they may create right and leftwingers in a society at will and

# Unemployment in France shows

By John Ridding in Paris

French unemployment fell in March for the sixth month in succession, declining by almost 10,000 to 3,29m and keeping the government on course to reduce the number of johless hy 200,000 this year, Mr Michel Giraud labour minister, said yesterday.

figures coincided with the release of figures showing a marked decline in consumer spending in March. The figures reflected continued caution on the part of French consumers and remain a weak point in the broader economic recovery. The official unemployment

figures were not due to be released until this morning. hut it has become common practice, particularly in the run-up to the presidential election, for the statistics to be leaked. France's unemployment rate.

at 12.3 per cent the highest among the C7 group of industrialised nations, has been one of the main issues in the contest to succeed President Francois Mitterrand. Both Mr Jacques Chirac, the

Gaullist mayor of Paris and Mr Lionel Jospin, his Socialist rival in the election run-off on May 7 have criticised the government's record on reducing unemployment.
They have pledged stronger action to reduce joblessness,

with Mr Chirac favouring cuts in hiring costs for husinesses and subsidies for companies hiring the long-term unemployed, while Mr Jospin is also pushing for a reduction in the working week from 39 to 37

Mr Giraud, a supporter of Mr Edouard Balladur, the Caullist prime minister who was

THE FINANCIAL TIMES
Published by The Financial Times (Europe)
GmbH. Nibelungeaphitz 3, 60318 Frankfurt am Main. Germany. Telephone ++40
by 156 850. Fax ++49 69 596 4481. Teles
416193 Represented in Frankfurt by J.
Wahter Brand. Withelm J. Britssel, Colin A.
Kennard as Geschäftsführer and in London by David C.M. Bell. Chairman, and
Alan C. Miller. Deputy Chairman, Sand
Alan C. Miller. Deputy Chairman. Shareholders of the Financial Times (Europe)
GmbH are: The Financial Times (Europe)
Ltd. London and F.T. (Germany Advertising) Ltd. London. Shareholder of the
above memorical two companies is: The

ingi Ltd. London. Shareholder of the above memorical two comparties is: The Financial Times Limited, Number One Southwark Bridge, London SE1 9HL. GERMANY:
Responsible for Advertising: Colin A. Kennard. Printer: DVM Druck-Vertrieb und Marketing CmbH. Admiral-Rosendabl-Strasse 3a. 63263 Neu-bamburg (owned by Hirrryet International). ISSN 0174-783. Responsible Editor. Richard Lambert. clo The Financial Times Limited, Number One Southwark Bridge, London SE1 9HL FRANCE:

Southwarf Bridge, London SEI 9HL
FRANCE:
Publishing Director: O. Good. 168 Rue de
Rivoli, F-75044 Paris Cedex 01. Telephone
(01) 4297-4621, Fax (01) 4297-6629.
Printer: S.A. Nord Eckar, 1521 Rue de
Caire, F-59100 Roubaix Cedex 1. Editor:
Richard Lambert, ISSN 1148-2753 Com-

name Lamoer, 153N 148-2755 Commission Parliane No 678080.

SWEDEN:
Responsible Publisher, Hugh Carnegy 468
618 9033. Printer: AB Kvällstidningen
Expressen, PU Box 6007, \$-550 06. Jon-

Expression | Expression | Editor: Richard Lambert, c/o The Financial Times Limited Number One Southwark Bridge London SE! 9HL

Level, seasonally adjusted (m) 1993 95 94 Source: Datastream

defeated in the first round of the presidential contest, sought to defend the government's record. "We have cut unemployment hy ahout 60,000 in the past six months, an achievement which has not been managed for 20 years," he

However, Mr Giraud, who is now backing Mr Chirac in the presidential race, accepted that frustrations about the level of johlessness were of concern. 'People are impatient." he said accepting the possibility of "an agitated autumn". The 1.1 per cent fall in con-

sumer spending on manufactured goods last month was seen hy economists as disappointing, particularly given concerns that the strength of the franc might limit French exports. The French currency has risen against most others, with the exception of the D-Mark, in the currency turmoil of recent months.

"These consumption figures are weaker than we expected and show that the French individual is still very cautious about spending," said an economist at one Paris merchant

### Holidaying PM to return for Paris rally

### Balladur acts to show another decrease solidarity with Chirac

John Ridding in Paris

Mr Edouard Balludur, France's Gaullist prime minister, yesterday moved to resolve a disagreement with Mr Jacques Chirac, his erstwhile rival in the contest for the French presidency, announcing he would attend a rally in the French the Paris mayor's bld for the Elysée Palace.

Mr Balladur's decision sets the stage for a demonstration of unity on the French political right as it seeks to recapture the presidency after the 14-year tenure of President Françols Mitterrand. Mr Lionel Jospin, the Social-

ist candidate, had sought to exploit the departure of Mr Balladur for a hrief holiday in the Alps as evidence of the difficulty of conservatives closing ranks behind the surviving Caullist standard-hearer. "What strikes me is that the government no longer exists." Mr Jospin said yesterday. "Balladur is on holiday and we don't know where the ministers are,

Most ministers were taking position around Mr Chirac, with one of the most die-hard Balladur supporters, Mr Francols Léotard, defence minister, announcing he would attend the Chirac rally.

A possible mid-week meeting between Mr Chirac and Mr Balladur foundered on the latter's insistence on bringing key political backers along with him to underline that, with his 18.5 per cent score in the first round vote, he was still a political force to reckon with.

No sooner had Mr Balladur flown off to his Chamonix holiday home than most of his ministers were off to the Chi-



Chirac (left) has found support in the contest with Jospin (right)

rac campaign headquarters for a strategy session chaired hy Mr Alain Juppė, foreign minster, who is behaving increasingly like Mr Chirac's choice as prime minister if the mayor of Paris wins the May 7 run-off.

Mr Balladur yesterday repeated his desire to see his supporters join forces with Mr Chirac, to beat Mr Jospin in the second round. Mr Chirac insisted yesterday he was not changing his policies to win over supporters of Mr Balladur, let alone those of Mr Jean-Marie Le Pen, leader of the farright National Front.

But in practice he seemed this week to be stressing policies in favour of Europe and a crackdown on crime that appeal to these two very different camps.

television debate next Tuesday with Mr Chirac, Mr Jospin said viewers might be made no wiser about the Gaullist candidate's real standpoint. Even if we knew it on that

night, we would not know if it would remain true the following day", Mr Jospin said. He dismissed opinion polls showing him trailing Mr Chirac in the final vote. He told RMC Radio he was sure he could be elected to succeed President Mitterrand A Sofres opinion poll on

Mooday, and published on Wednesday, showed the mayor of Paris with 55 per cent of voting intentions against 45 per cent for Mr Jospin. Tha margin has narrowed compared with surveys before Sunday, while the failure of opin-

#### Mr Jospin yesterday attacked Mr Chirac's alleged ion polls to predict Mr Jospin's victory has increased unceropportunism. Referring to his

### Extent of foreign holdings worries government supporters and local journalists Poland may limit newspaper ownership

By Christopher Bobinski in Warsaw

Poland is planning a law to limit foreign ownership of newspapers and magazines to no more than 45 per cent. Work on preparing a draft press law hy the culture ministry comes as government sup-

porters in parliament have

voiced concern over the extent

of foreign ownership in newspapers and magazines. According to the govarnment, foreign owners hold an average 56 per cent of the equity in national and provincial newspapers and 70 per cent of the country's print run is published by companies with

foreign shareholders. This week, too, in the first revolt of its kind, staff at Zycle Gospodarcze, Poland's oldest

Ruling coalition wins parliamentary vote on higher taxes Poland's centre-left ruling topher Bobinski. Had the vote this year's hudget deficit at

coalition yesterday won the two-thirds vote in parliament needed to overturn a constitutional tribunal ruling that the government's 21, 33 and 45 per cent income tax rates for this year were illegal, writes Chris-

economic weekly, now owned

hy Jean Frey, a Swiss pub-

lisher, decided to walk out and

continue to publish their paper

independently after pressure

from their foreign owners for a

At present foreign ownership

in broadcasting is limited to 33

per ceot hut newspapers have

been free of such restrictions.

Currently only Canal Plus, the

change in editor and format.

been lost income tax rates would have returned to the previous 20, 30 and 40 per cent levels and cost the government an estimated 1.8hn zlotys (\$764m). The vote avoids the principle of leaving taxes need for spending cuts to keep

French television station, has

won a hroadcast licence and is

the only hig foreign investor in

television. But in newspapers.

Neue Passauer Presse, a Bavar-

ian publisher, controls many

provincial newspapers while

Hersant of France owns 49 per

cent of Rzeczpospolita, a prom-

inent daily. Orkla of Norway is

a big player in provincial news-

8.7ho zlotys in accordance with Poland's IMF standhy agreement. The court argued that delays in introducing the new rates contraveoed the unchanged in the budget year.

At the same time German publishers such as Gruner und Jahr, controlled by Bertelsmann and Axel Springer, have expanded into low-cost, general interest illustrated magazines and weeklies for women and teenagers. These threaten to sweep more traditional, solemn

locally owned titles from the Mr Karol Szwarc, the former radio and television.

who is leading the revolt at the paper, stresses that he is not against foreign capital. "But there has to be one paper at least like ours which will retain its tradition of the past struggle for economic reforms. and which will continue to develop Polish thinking about economics," he says. As a result most of the staff at ZG are planning to bring out

editor of Zycie Gospodarcze

their paper next month with backing from two listed companies, Elektrim and Stalexport. Meanwhile, even though the culture ministry's proposed law is still only a draft, it appears likely that pressure will huild for some kind of reg-

ulation of foreign ownership of the print media in line with the limits already in place in

FINANCIAL TIMES FRIDAY APRIL 28 1995

CRAL TRUES PRINTY APRIL 38 PM

By Robert Graham in Rome

Mr Silvio Berlusconi, the former prime minister and leader of Italy's right-wing alliance, yesterday reluctantly withdrew his insistent demand for a June general election.

In backtracking, Mr Berlusconi has given the Dini government and the Italian parliament time to tackle the vital issue of pension reform in earnest. Both the unions, which are negotiating directly with the government on pensions, and the centre-left parties have made it clear that a deal was impossible against the threat of a June general election.

An early return to the polls has been an obsession with Mr Berlusconi since he was forced from office last December. At first be demanded that President Oscar Luigi Scalfaro dissolve parliament to allow a poll in March. The president refused and asked Mr Lamberto Dini, the former director general of the Bank of Italy and treasury minister, to form a new government. Mr Berlusconi then hegan pressing for a

the more his image suffered. Mr Berlusconi was forced to concede defeat yesterday in the wake of Sunday's regional and local elections which sharply rehuffed his right-wing alliance. He had hoped a good result for his alliance would endorse his call for a June poll.

Close allies of the former premier, including Mr Gianfranco Fini, leader of the rightwing National Alliance, had also pointed oul the impracticality of another vote before the summer. At the same time moderates in the Berlusconi camp warned of the negative image of being seen to sabotage pension reform.

Talks between the govern-ment, union leaders and members of Confindustria, the employers confederation, on reforming Italy's costly staterun nav-as-vou-go nensions system hegan last night. The unions and government have already held a series of lechnical meetings. Both sides reported a will to reach agreement but neither concealed that wide differences remain. The government has projected into the macro-economic guide-

on pension outlays. The union proposals would provide less than haif of this.

One of the main stumbling blocks will be the retirement age, given that 1.Sm people who started work around the age of 15 are close to having worked for 35 years, yel are still barely 50 years old. The unions are against the government's proposal to impose a minimum retirement age of 55 unless the equivalent of 35 years contributions have been paid. Another area of disagree-ment is the government's move term - the percentage at which pensions accrue annually from an exceptionalty high 2 per

cent to 1.4 per cent. Last autumn when Mr Dini was treasury minister he was regarded as the loughest member of the cabinet insisting on major savings through a hlg shake-up of the system. This provoked a wave of protest and a general strike. But now he bas to balance the need for reform and the demands of the unions, backed by the centre left parties who keep his government alive in parliament.

### Weakness of lira starts to tell on inflation rate

lines for the next three years

By Robert Graham in Rome

The rising cost of raw materials, exacerbated by a weak lira, is beginning to be felt by Italian consumers. This week Fiat, which has

almost 45 per cent of the car market, raised its prices by 3 per cent, only three months after another 3 per cent increase. Peugeot has raised its prices 3 per cent, and Volvo 5 per cent.

Separately, the industry ministry this week announced that electricity tariffs would go up 2 per cent to offset the cost of importing energy. Gas and oll for power stations are paid for in dollars and the lira has devalued almost 10 per cent since the autumn.

since last summer they have begun to pass on the combined effects of a weak fira and rising raw material costs. However, until the rapid depreciation of the lira this January, they sought to act with restraint. Such restraint is now

increasingly difficult to maintain. According to the most recent monthly survey of man-agers carried out by Isco, the research institule, the percentage of those anticipating further increases in producer prices was much higher than usual. The survey was conducted in February and since then the lira has depreciated further against the dollar and The latest figures, for Febru-

ary, show producer price increases running at 6.3 per cent a year. This was a considerable increase on the previous month's 5.6 per cenl and the highest level since 1989. Istat, the national statistics institute, points out that if the more volatile elements of energy products and foodstuffs are removed then producer price rises in February were running at 7.3 per cent.

Confindustria, the industrialist confederation, concedes the overall inflationary picture has deteriorated and people are beginning to operate on the basis of inflationary expecta-tions. Estimates for April show inflation at about S.2 per cent, against a government target of 2.5 to 4.2 per cent.

# Finnish software pirates jailed THE SOFTWARE PIRATES LEAGUE

حكدًا من الأجلّ

By Alan Cane

The chairman and managing director of J J Piirto; a medium-sized Finnish engineering company hased to Helsinki, have become the first computer users in Europe to be imprisoned for software piracy. Mr Jyrki Liivola, chairman, and Mr Jyrki Furuholm, managing director, were each jailed for 60 days and fined \$72,000. Seven illegal copies of Auto-CAD, one of the most popular computer-aided design packages, were discovered in use at their company.

the Business Software Alli-ance, which brought the action against the Finnish executives. BSA is an organisation of prin-cipally US-owned computer companies which has been carrying out a vigorous campaign against software piracy worldwide. It says its members' global losses from piracy amounted to \$15.2hn last year. It has already been responsible for several court actions in which software distributors have been fined or imprisoned but the Finnish jailing is the most serious result of an action against computer users. Mr Robin Burton, BSA's director of European public affairs, said the organisation, which estimates that computer piracy in Europe cost its memhers \$6bn last year, had been encouraged by an increasingly severe attitude towards piracy on the part of European police

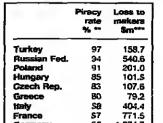
forces and judges. Mr Liivola and Mr Furuholm were given stiff sentences because, as officers of a design group which uses software as a used illegal software. Mr Burton said after the court hear-

BSA's most recent analysis of software piracy in Europe indicates that more than one piece of software in every two used has been illegally copied. The BSA has been fighting to raise awareness among computer users and dealers world-

copied and passed to col-leagues within a company is "Whal commercial organisations would put up with rates

cent." Mr Burton said.

wide that software illegally



### Ukraine's neglected gateway to west

Matthew Kaminski visits a once thriving trade crossroads where four countries meet

₹radled by the Carpathian mountains, Uzhrorred sits on four European borders. The south-west Ukrainian town for centuries was a crossroads for armies and traders. Today sleepy Uzhgorod, like Ukraine, is a world away.

The Soviet Union's collapse hroke trade and political contacts with western Comecon neighbours. As Warsaw, Bratislava and Budapest have sought integration with the European Union, they have neglected links with Ukraine. which is struggling to overcome a lingering economic

Yet whether Ukraine will strengthen its recently gained independence, or revert to being dominated by Russia, as many fear, depends greatly on the country's ability to tap new markets and diversify economi-

Uzhgorod's businesses and new political élite, on a western fringe that ought to be booming, paint a grim picture. Instead of being a gateway to prosperity, the town reflects the lingering problems in the country at large that hinder trade and foreign investment and make Ukraine's place in the future central Enrope

Topped by a medieval castle, the bandsome town starkly lacks the commercial veneer of even eastern Slovakia, over the border. About half the stores have been privatised, but their look and attitude has yet to

committee that you have the potential. you could be one of

the fortunate few.



change. And while neighbours usually trade, Uzhgorod sees little traffic through its two messy border points, of which there are only six in western

By contrast, Ukraine's Russian-speaking eastern half has successfully tried to rebuild trade and political links to Russia. The six eastern border regions earller this year signed an agreement to simplify crossings at more than 1,000 check points and eventually form a customs union with six neighbouring regions in Russia. Some western neighbours

are slowly recognising Ukraine's strategic and economic importance. Mr Vladimir Meciar, the Slovak prime minister, is planning his first visit to Riev this spring. "We should have been more pragmatic about consolidating our position in Ukraine earlier,"

says a Slovak official, noting trade fell from \$350m in 1992 to \$250m last year.

Presidenl Leonid Kuchma

also made a Ukrainian leader's first official trip to a central European capital when he visited Prague this week.

In Uzhgorod, foreign and domestic investors are trying to anticipate a future revival. Half the Slovak and Hungarian joint-ventures are based, if only on paper, in the Transcarpathian region that overall accounts for 1.2 per cent of gross domestic product but attracts almost 9 per cent of foreign investment - a large slice of a tiny pie of \$366.4m

cumulative through 1994. Lantip, a small Slovak-Ukrainian company, survives by improvising. It makes roof tiles, Imports cltrus and clothes and markels Italian bathroom floor marble to turn over 10bn karbovanets (about \$6,700) a year.

Getting a shipment of hananas from Bralislava lo their tinsel stands in staid Uzhgorod shops takes careful planning. Avoiding harter deals favoured by most Ukrainian traders. Lantip uses the primidollars are ordered in Kiev. eventually sent to Slovakia, and changed into Slovak krona.

An operation that should take an bour usually takes a month," says Mrs Larisa Pravduk, who runs the company with her husband, Valentyn. "We can go bankrupt if inflation suddenly doubles prices while we wait for our money 10 clear."

Since lorries can wait days at the border, Lantip uses two compact cars to lransport between 3 and 6 tonnes of cilrus a day, which is doubletaxed because Ukraine and Slovakia have no standard trade treaty.

Four years ago the Swedish furniture giant Ikea started to buy chairs and tables from forest-rich Transcarpathia. Of all its easl European operations, Ukraine has been the worst.

The situation has gotten so bad that today the director at the factory has nothing: no capital, no workers, no energy, no markets. What can be do?" says Mr Herbert Finck, managing director of Ikea's East Cen-

But with wages a tenth those in Slovakia and good quality

products, lkea plans to stay. The purchasing office was closed recently and Ikea instead invested more than \$10m to upgrade their suppliers - the first time it has done so in 30 years in the eastern

"It's not our philosopby to own production units, but it makes uo sense to co-operate wirb dead ducks," says Mr Finck. "We changed the way we do business. We're not leaving, hut adapting to the cir

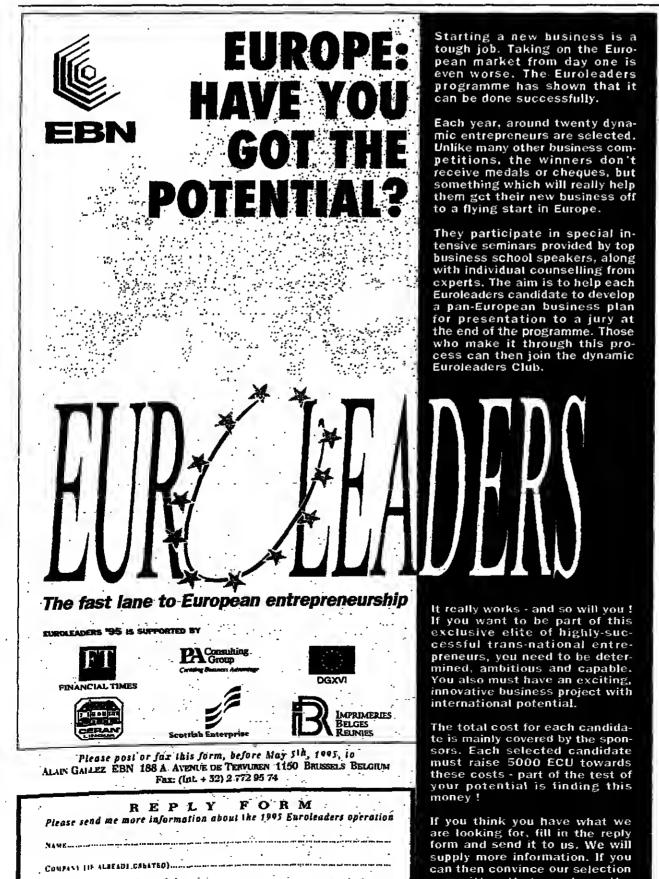
cumstances. While support among local political leaders for reform varies widely in Ukraine, Uzhgorod's lwo political leaders are frustrated with Kiev's refusal to give them greater

latitude to try a radical overhaul in Transcarpathia. Mr Sergei Ratushyak, the 33vear-old mayor, seeks to awaken entrepreneurial spirit in his quiet bome town. "Privatise it all," Mr Ratush-

yak says about the city's larger stale companies. "We need the revenues. Money is power. And this city is bankrupl." He specifically wants lower

import duties and taxes, better roads, improved canalisation. and liberal rules on company registration.

Kiev musl quickly implement its ambitious reforms across the country, says Mr Serbiy Ustleb, governor of Transcarpathia, If not, Ukraine's faltering economy will keep Uzhgorod an isolated border town, breaking with its rich commercial tradition.



### The MAN Group



the leading European manufacturers of capital goods. A systems supplier in the fields of commercial vehicle manufacturing, machinery and plant construction. Trading world-wide.

MAN trucks and buses economical, reliable, low in pollutants. Pioneers in lechnical progress.

Leader in many engineering world markets.

Large-capacity high-power diesel engines for ships and stalionary powerplants.

High-tech printing machinery. Product systems for sheel-fed and web-ied machines of all print-run capacities.

Comprehensive systems for plant engineering.

Project design, financing, installation, and commissioning, even for the biggest

World-wide trading in the Group's own products and in bought-in Ilems.

The MAN Group in the torefront of technical progress.

For example: commercial vehicles

MAN - Winner of "Truck of the Year" little for the fourth lime. F2000, new to the markel and already out in front. Voled the besi by the Truck of the Year jury of 14 European truck journalists: MAN's F2000 came out top for economy and salety, setting new levels in environmental compatibility and driver comfort. The F2000 wins in every detail.

MAN Aktiengesellschaft P.O. Box 401347 80713 Munich, Germany



MAN – Truck of the Year '95

Sell oil to

suggests

fran has suggested that oil

sales to Japan be denominated

in yen as a way of overcoming

the recent decline in the value

of the US dollar, according to

By Robert Corzine

nger: ngko inport intrac

The second second

THE CONTRACT OF STREET

And the second second

7

7 Jan 14

Territoria

12 10 10 10

A CONTRACT COMME

g grant mich 🕷

Diagram A

-----

ATT 10 4 7 74

- T------.

. 1 km 7 m 15

THE REPORT

: 7. × 1.2

- 2.4 2.25 - 2.7 12:22#

Tari Inni

2 12:1 1 : 53

- -

73-1 4 . 1

2000

(\*\*\*) ...... · .....

2 - - - MARCH

77

الفخنجيوس

#### **NEWS: INTERNATIONAL**

INTERNATIONAL NEWS DIGEST

### World drug sales growing

World drugs sales will grow more than one third faster than the expansion of OECD countries according to a report published by Euromonitor, a market research organisation.

Sales will reach \$330bn (£204bn) by 2000, in constant currency terms, compared with \$259bn in 1994, representing an average annual growth rate of 4.1 per cent. The latest OECD figures forecast average annual GDP growth over the same period to be 3 per cent or less. Sales of non-prescription medicines, sold over-the-counter (OTC), will grow faster than for prescription medicines, says the report. Sales will rise 4.7 per cent a year from \$37bn to \$49bn by 2000. This is partly the result of government efforts to encourage more OTC sales, in which the consumer pays directly for the drugs rather than through taxes or insurance premiums.

The Japanese spent the most of any nation per capita on drugs last year, says the report. Japan spent \$477 a bead on medicines, followed by France (\$322), the US (\$303), Germany (\$256), Canada (\$205), Italy (\$210) and the UK (\$138). Daniel Green: Euromonitor +44 171 251 8024

#### Mandela cuts jail sentences

President Nelson Mandela reduced the sentences of thousands of prisoners yesterday as South Africans celebrated Freedom Day to mark last year's historic elections that ended white minority rule. Mr Mandela said be would remit prison terms for anyone convicted of politically-related possession of arms, ammunition or explosives before December 6 1993. It was not clear whether the reduction would be partial or total. In addition, all prisoners except child abusers would see their sentences reduced 25 per cent, or a maximum of six months.

#### Rwanda exhumes camp victims

In an attempt to regain international credibility, Rwanda's government yesterday began exhuming the victims killed at the Kibeho refugee camp and promised an inquiry to see if its soldiers were at fault. "We're going to dig them up - all of them," President Pasteur Bizimungu said at the camp, where the UN estimates at least 2,000 people died on Saturday.

The government insists only about 300 died. There was speculation that it might dig up only a limited number of bodies, but officials insisted they would open all graves identified by their own soldiers, aid workers and UN observers who were at the camp at the time of the slaughter.

The ambassadors and special representatives from the US. Britain, Germany, China, Russia and the UN were among those attending the exhumation. Mr Bizimungu called on foreign nations to contribute money to the international inquiry, which he said would begin on May 3. AP, Kibeho

#### Lebanon lays dead to rest

Lebanon's parliament has passed a law permitting thousands of Lebanese who disappeared during the 1975-1990 civil war to be declared dead. The law, whose approval by the prime minister and president is deemed a formality, would allow families and relatives to inherit property of the missing and

spouses to remarry.

Some 17,000 people disappeared during the war, most after being kidnapped by militias of religious sects, according to a committee formed by relatives of disappeared people. Most of the disappeared are presumed to have been murdered. Under previous legislation families were unable to declare the missing dead for up to 90 years and could not inherit or sell their property. Spouses could not remarry. Reuter, Beirut

### Call for big increase in private sector financing of infrastructure projects

# More development flexibility urged Japan in

in Washington

The World Bank and regional development banks were told yesterday they must be "more flexible and creative" if they are to have a significant effect in promoting private-sector infrastructure investment in developing nations.

In a report commissioned by the Development Committee of the World Bank and International Monetary Fund, the private-sector Institute of International Finance said the multilateral development banks were financing infrastructure

this week took its first step towards

lending directly to the private sector

by approving a \$10.5m (£6.4m) loan to

help build a privately owned electricity

plant in Hondaras, George Graham

projects that should be financed by the private sector. The multilateral agencies should be "financiers of last resort", the institute said.

The World Bank says only 7 per cent of infrastructure investment in developing countries is from private sources, and 12 per cent from bilateral and multilateral aid agencies. The IIF, a think tank owned by international banks and other financial institutions, said private financing would have to grow substantially to meet projected demand for infrastructure investment.

This theme was taken up by

lending up to 5 per cent of its portfolio

directly to the private sector, without a



ministers yesterday when the development committee had an extended discussion on infrastructure finance.
Mr Kenneth Clarke, the UK

chancellor, said there was "enormous potential" for the private sector to provide more infrastructure finance. He said developing countries. could learn from the British government's private sector initiative private projects, it said a way under which the public sector should be found for the World defines its requirements and asks the private sector to compete to provide services.

"The private sector offers cost savings and greater effectiveness not only through the provision of capital, but also through its ability to innovate, to manage and bear risks," the chancellor said.

In its paper to the commit-tee, the UF pinpointed various ways in which the multilateral development banks could help catalyse private sector infra-.. To promote mixed public and

The Hondures plant will be the first privately owned generator to connect to the national electricity grid; and will increase the country's generation capacity by around 15 per cent.

The france proposal set off a brief flurry of dollar selling in foreign exchange markets yesterday, but it is unlikely to give a greater priority to infragain much support among Japstructure projects and invest anese oil companies. An official at Mippon Oil more in "riskier countries". See feature, Editorial pages said: There is foo much tron-ble if only Iranian Japanese

Bank to lend to the private sec-

tor without a host country

guarantee. It said the hank's

soft loan affiliate - the Interna-

tional Development Associa-tion - could lend to private

borrowers without a guaran-

The IIF said the Interna-

tional Finance Corp, the World

Bank group member that

makes equity investments in

developing countries, should.

tee, but was not doing so.

The Inter-American Development Bank this week took its first step towards by their statutes to lend only ent-backed projects.

> rate was set."
> The Iranian proposal is the latest variation in a series of ideas put forward by some oilproducing countries, such as Libya, to drop the near-univer-sal use of the US currency in calculating oil sales. Most of the recent proposals have called for oil prices to be based

deals are done in yen. It lyen-

sides would remain exposed to

currency risks once a certain

denomination) does not solve any problem because both

on a basket of currencies.

The main complaint is that recent oil price rises have been offset to a degree by the dol-lar's decline. The benchmark Brent Blend, against which a number of other crude oils are priced, has rises by 19.6 per cent since the beginning of the year. But the dollar's sharp decline has eroded much of the sain for off producers.

The Vienna-based Organisa-tion of Petroleum Exporting Countries yesterday said there were no studies under way on the currency issue. Nor has the Opec secretariat been formally approached by any individual Opec members about it. But a spekesman said some

ministers might table a motion on the subject at Opec's next meeting in Vienna on June 19. Currency bedging techniques are used by some Opec states, as well as by some big international oil companies, to protect their revenues from swings in the value of the dollar.

But some Middle Eastern Opec states have refused to adopt such strategies on reli-gious or ideological grounds. Attempts by western banks to perspade Opec countries to use oil price futures have run into similar problems.

Any debate within Opec about the use of the dollar is likely to split along political lines, say analysts. Some counmilitary ties to the US, such as Saudi Arabia, are likely to be nomic sanctions, are keen to see the dollar dropped.

#### government guarantee. This week's ment banks, including the World Bank. In the past two decades, unleashing private enterprise has come to be seen loan to finance an SOMW power generating plant in Puerto Cortés is the first The IADB has set a new policy of made under the new policy. as the secret of successful development Israel land expropriation

Private-sector development has posed

a problem for the multilateral develop-

plan comes under fire Palestinian leaders and land in the disputed holy city left-wing ministers in Mr Yit-since 1980. Most of the two

zhak Rabin'e government yesterday condemned an Israeli plan to expropriate 133 acres of uncultivated land in Arab East Jerusalem for Jewish bousing and a new police headquarters, Eric Silver writes from Jerusalem.

The development, initiated by Mr Binyamin Ben-Eliezer, the minister for bousing, is the first large-scale seizure of Arab

areas involved are rocky and Mr Yassir Arafat, chairman of the Palestine Liberation

Organisation, accused Israel of violating their 1993 peace • Right: Israelis stand by

their cars during a two-minute silence marking Holocaust



### Spanish must stop fishing off Morocco

By David White in Madrid and Roula Khalaf in Rabat

Thousands of Spanish and Portuguese fishermen expect to halt their activities from Sunday night as a result of the delay in negotiating a new licensing agreement between the EU and Morocco, The expiry of the 1992 accord affects over 600 Spanish and 40 Portuguese vessels which depend on rich fishing grounds off Morocco and the former Spanish territory of Western Sahara.

The Spanish cabinet, at its weekly meeting today, is expected to approve a shortterm aid package for the fishermen totalling about Pta2bn (£10m), including EU support. Part of the fleet is already idle hecause of "hiological rest" periods imposed under the current agreement in the interests of stock conservation.

Earlier this week Mrs Emma Bonino, the EU fisheries commissioner, warned it was likely to take several weeks before a new agreement could be drawn un. A third round of negotiations began on Wednesday.

Mr Luis Atienza, Spanish agriculture and fisheries minister, has described Morocco's demands as "clearly out of proportion and unacceptable". These demands include catch reductions of up to 65 per cent according to species, higher fees, the landing of catches in Moroccan ports, and a stipulation that 35 per cent of the crew of EU vessels should be

Moroccan. Some 40,000-50,000 jobs in Spain, mainly in Andalucia and the Canary Islands, are estimated to depend on the Moroccan deal.

The issue is potentially more row with Canada over Spanish fishing activity. Unlike the large freezer trawlers involved in the Canadian dispute, some of which are likely to find alternative activities in the Barents Sea, the Gulf of Guinea or off Argentina, few of the boats operating in Moroccan waters are suitable for

operating further afield. Mr Felipe González, prime minister, defended the recent

EU-Canada settlement against opposition charges that it constituted "a huge defeat" for the government. The deal reached on the share-out of quotas was "of course not the best for us but the least bad we could get", he said. The Moroccan fishery

accounts for much more of the industry in Spain, with annual catches of some 185,000 tonnes. principally sardines, octopus and hake. The current agreement with

cent of which are Spanish, to explosive than the recent EU fish in Moroccan waters in return for a payment of Eculo2m (£80.3m) a year, as well as an Ecul5m in licence fees paid by shipowners. Morocco is asking for an effective 50 per cent cut in the fishing rights granted to EU boats as well as requiring boats to unload in Moroccan ports.

about a lot more than fishing. Long frustrated in its relations. with the EU, its main trading partner, Morocco has sought to use the row as leverage in its efforts to seek a more equitable relationship with Europe, as the latter attempts to forge closer co-operation with southern Mediterranean coun-

The EU's new focus on the southern Mediterranean is prompted by a desire to main-tain stability in the region and help shield it from the per-ceived problems of Islamism. This, the EU hopes, can be the KU provides for 750 EU achieved through increased aidand the sealing of partnership fishing boats, more than 90 per agreements gradually creating

free trade zones. From the Moroccan perspective, the problem is one of con flicting expectations. Moroc-cans say the EU is pursuing a sbort-term approach while Morocco is seeking a strategic and long-term vision which anchors Morocco within the EU economic and political For Morocco, the dispute is sphere.

#### rejuctant to change the traditional dollar-based system. But Iran and Libya, both of which are under unilateral US eco-

# Sell-off test of Egypt's reform

#### James Whittington and David Gardner on fears of privatisation

I nated industry will be tested over the next few weeks as the government decides whether to push ahead with the first full sale of a state asset through the Cairo Stock Exchange.
Privatisation is the linchpln of the second phase of an economic reform programme agreed with the International Monetary Fund (IMF), World Bank and international aid donors led by the US in 1991.

But the government of Presideot Hosni Mubarak has dragged its feet, fearing that accelerated sell-offs risk creating mass unemployment.
A row with the IMF over the delays has held up the cancel-lation of a final tranche of Egypt's foreign debt, due to be cut almost in half under a debt forgiveness plan agreed with donors after the 1991 Gulf war,

when it stood at an unsustain-

The government plans to sell 314 state entities - with an official book value estimated at ESSSbn (£15.5bn) – but only a handful of companies has been sold outright to industrial investors. Others have been partly divested through the issue of 10 per cent blocks of shares to the general public.

A decision to speed up privatisation by selling shares to private investors will invigo-rate Egypt's re-emerging stock exchange and mark a crucial step towards structural reform

of the Egyptian economy.

The company in question is
Kabo, a profitable knitting and weaving concern, which is 70 per cent owned by the state's Textile Industries Holding Company. Last December a local brokerage firm, Hermes Financial, was awarded the mandate to sell the government's stake.

In February it tested the market's appetite by releasing However, substantial di 125,000 of the 1,074,000 shares ties are likely to remain.

Egypt 'Required' private investment growth' Average real GDP growth (% per entrum) Average minust real private investment growth
shown on the horizontal eds would be necessary
to generate average real GDP growth shown on
the vertical add over the flacel years 1993-2000.

held by the holding company in a public offering through the stock exchange at a minimum price of E2200 per share. There are now plans to sell the remaining government

The proposals involve plac-ing the remaining shares with institutional investors such as mutual and foreign funds on the one hand and restructuring the management of the company on the other. Although Kabo's current managers would remain in place they would be offered share options as an incentive to improve earnings and their performance would be monitored by a number of non-executive directors, one of whom would be appointed by the investing institutions. The workforce of about 5,500 would also he offered shares in the company.

The model is designed for a

smooth transition to the private sector. It avoids the disruptions of mass sackings while encouraging the management to work for their shareholders," an official close to the proposals said.

If approved by Mr Ates Obeid, the minister responsible for the privatisation programme, the plan could form the basis for other state sales. However, substantial difficul-

First, few of the companies earmarked for sale are as successful as Kabo and it will be difficult to convince investors to finance the recovery of loss-making and inefficient state enterprises. Kabo last year made pre-tax profits of E£25.9m on sales of E£127.95m, of which 28 per cent were exports,

mainly to Europe.

More important is a fear of the political consequences of the unemployment which would follow mass privatisa-tion. Analysts says that Kabo is 20 per cent overnamed and a gradual reduction in the workforce is being achieved through early retirement. But if overnaming at this level nies on the privatisation list, then the 70 per cent of Egypt's then the 70 per cent of Egypt's industry under state control would suffer huge job losses.

But already unemployment is estimated by independent economists at up to 20 per cent or 3m, and subsidy cuts aimed at stabilising Egypt's budget deficit - reduced from 17 to 1.5 per cent since 1991 - have increased already widespread poverty at a time when Mr Mubarak confronts a low-level insurgency from Islamic fundamentalists drawing support from the poor provinces of Upper Egypt and Cairo's teem"I'm fairly confident of the [government's] commitment to structural reform, but not of the pace," said a western

Leading cabinet liberals such as Mr Youssef Bourros Ghali who, as minister for international co-operation, co-ordinates the reform programme and negotiates with the IMF, say it is vital to prepare the ground for the radical overhaul of state enterprises, committed by succeeding governments to providing low prices, jobs for life, and import substitution, before profitability or product

However, one official from a donor country argued that pro-ceeds from partial sell-offs were being used actually to expand the public sector. The government counters that only some privatisation revenue is being pumped back, to recapi-talise and restructure some of the 314 companies, which have

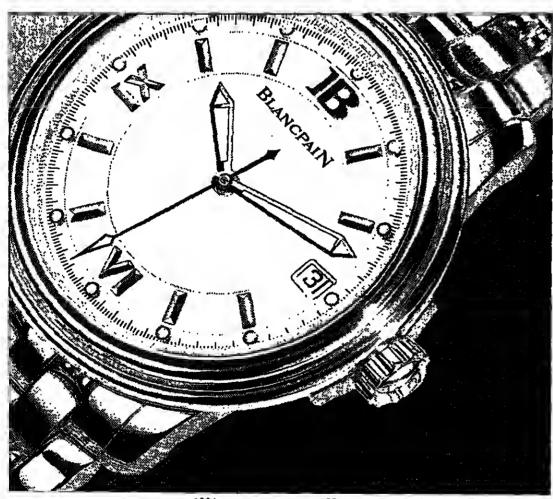
borrowings estimated at nearly twice their book value.

Ms Heba Hamdoussa, director of the World Bank-barked Economic Research Forum who has sat on the board of the holding company grouping state pharmaceutical concerns, said: "You need infusions of finance unless you want a time-bomb on your hands. This is not increasing capacity, it is about reorganising the financial structure of these companies, which have gone through 20 years of controls and distor-

tions, starved of equity." But one western official insisted that "the real question" was overmanning. "Who-ever's doing the restructuring, they are going to have to lay off workers, and the private as much as the public sector is not going to be allowed to go too far on that."

If he is right, the main onestion about privatisation in Egypt is not so much speed, as the depth of the restructuring

# BLANCPAIN



100 hours power reserve - 100 meters water-resistant - 100 days of testing

SINCE 1735 THERE HAS NEVER BEEN A QUARTZ BLANCPAIN WATCH. AND THERE NEVER WILL BE.

> Catalogue and information BLANCPAIN SA CH-1348 Le Brassus, Switzerland Tel 0041-21 845 40 92 Fax 0041-21 845 41 88

13 mm

----

SE PERSON FRIDAY APRIL 28 1995

15

date in the second

Fr. 44 4 ...

Stiller Co.

Section 2 Section 1.

2.5

the fact that we have

Topical Control

the second

En all march

Erret 1.00

### Anger at Bangkok airport contract

By Andrew Taylor, Construction Correspondent

The award to a US consortium of a contract to design a \$1bo Bangkok airport terminal has antagonised an Anglo-French joint venture which originally won the design competition

for the development.

Ove Arup, the UK consulting engineering, said it suspected the winning bid had been subsidised by the US government. Mr Nigel Thompson, a director of Ove Arup, said: "There is no way they can do the job for

"They have either received financial assistance from the US government or the consortium is handing over most the work to its Thai partners, which would negate the whole point of having an interna-

tional competition."
The contract to design the terminal, part of a \$30n new Bangkok airport, has been awarded to a consortium of Murphy/Jahn, the Chicago architects, Tams, a US engineer, and ACT of Thailand.

Murphy/Jahn yesterday denied Ove Arup's allegations, saying it had suspected that the Anglo-French bid bad received aid from the British

and French governments.

British and French officials became involved after the Thai airport anthority began contract negotiations with the US consortium even though Ove Arup and Aéroports de Paris, the French airport operator. had won a technical design competition last year.

Mr Thompson said the original US price, then worth \$45.5m. was lower than the Ove Arup/Aéroports bid of \$47.5m, but subject to an inflation clause; the Anglo-French bid price was fixed.

The Thai authorities were persuaded to reopen the bidding but have still awarded the work to the US consortiom, which has now reduced its bid to Baht 792m (\$32.2m) compared with an Anglo-French offer of Baht 836m.

Murphy/Jahn said: "We are surprised that Ove Arap is accusing us of something that is absolute nonsense."

### Chile begins Nafta talks next month

By Nancy Dunne in Washington

Negotiations over Chile's accession to the North American Free Trade Agreement will begin late next month, according to Chilean officials.

At the head of a queua to negotiate free trade with the US. Chile has become the symbol of President Bill Clinton's commitment to moving forward on the expansion of free trade throughout the western

The talks will begin without Congressional approval of the "fast-track" negotiating authority needed to get approval of Chile's accession to Nafta through Congress without amendment.
Chile's symbolic importance

was the underlying message of Chilean officials visiting Wash-

ington this week. "Chile has become the cornerstone for the Free Trade Agreement of the Americas," said Mr Andres Velasco, an adviser to the Chil-ean finance ministry, in testimony before the Clinton Administration's inter-agency trade policy staff committee.

Mr John Blehl, Chilean ambassador to the US, indicated in a speech this week that the failure of Chile to join Nafta would cause widespread disappointment throughout South America, encouraging consolidation of other trade

groups there. Without "fast-track", it is unclear whether Chile's accesaion talks would pass the Republican Congress, with its large component of nationalistic newcomers. Business lobbyists, who have in the past ting" Congress, are busy with tax and product liability reform and environmental deregulation. They cannot be counted to press for more free trade before the 1996 elections. Mr Mickey Kantor, the US Trade Representative, must

also find his way out of a stale-

mate with free trade Republi-

cans. He has been insisting on extending to Chile Nafta's additional pacts on labour and the environment. Senator Robert Packwood, chairman of the Senate finance committee, told him bluntly early this mooth: "You will not get Congress to approve Chile's accession if you have in the egreement the labour and envi-

ronment provisions." One possible compromise has been floated. Congress would approve negotiating to the trade pact. The Adminis-tration could negotiate labour and environment provisions separately and bring them to Capital Hill, where they would have to be approved without the so-called "fast-track" and

thus could be amended.

Chilean officials are standing aside from the dispute. Mr Velasco pointed out Chile's 1990 revision of its labour code which expanded workers' rights to strike. Chile has made "important progress" on environmental protection, recently approving an environment framework containing a legal apparatus for environmental action. Many lobby groups are looking to the Chilean negotiations as an opportunity to push

for further liberalisation. Mr Randolph Lumb, the federal government affairs vice-president, for example of tariffs on telecommunica tions products.

Mr Gerald Mossinghoff, president of the Pharmaceutical Research and Manufacturers of America, called on Chile to improve its patent protection, while the Distilled Spirits Council of America has urged the immediate elimination of Chile's 11 per cent tariffs and tion of its excise taxes

Ms Andrea Durbin of Friends of the Earth said the Nafta environmental trada agree-ment is "insufficient to address crucial environmental con cerns present in Chile with regard to natural resource protection and enforcement of existing environmental laws", referring to fears about over exploitation of the country's forests, fisheries and land.

WORLD TRADE NEWS DIGEST

to slash costs

Japan carmakers

Japanese car makers, battered by the yen's persistent rise

official. The move makes it highly unlikely that they will

against tha dollar, have embarked on a campaign to reduce costs by a further 25-30 per cent, according to a Japanese trade

agree to increase their procurement of foreign car parts as requested by the US, Mr Osamu Watanabe, director-general of

the Machinery and Information Industries Bureau of the Trade

Ministry said yesterday. The country's car industry has made

substantial cost cuts over the past several years as they faced

a rising yen and in the latest round of cuts but they were

negotiators remained locked in negotiations over ways to

improve foreign access to Japan's car and car parts markets.

The experts' meeting to discuss the issue will end today, after

"fighting for their survival". Mr Watanabe said. Mr Watanabe's remarks came as US and Japanese

A proposed T\$442bn (\$17.4bn) high-speed rail project to link Taipei with the southern port of Kaohsiung has been revived following two years in limbo after funding was rejected by Taiwan's legislature in 1993. Legislative subcommittees of budget, finance and transport have passed the first reading of the budget. It must pass two further screenings by the full legislature in order to become effective. The initial two-year budget will cover land acquisition, administration and planning. The line is scheduled to begin operation in 2003.

communications, said earlier that some 40 per cent of the Laura Tyson, Taipei

Toshiba will boost production of video cassette recorders in

Company, has ordered two 2,400-passenger cruise liners, Italian state ship builder Fincantieri said. Reuter, Rome

### Boom in Polish sales draws western carmakers

taken on the chore of "educa-

Fiat dominates the industry, writes Kevin Done

estern vehicle pro-ducers are queueing to establish a presence in the most important car market in central Europe. Poland, where new car sales grew by 3.4 per cent last year to 250,000.

The market, which fell heavily in 1992 but has recovered in the past two years, is still dominated by locally produced vehicles, led by Fiat of Italy and FSO, the Polish stateowned carmaker.

Western manufacturers are moving to establish local small-volume kit assambly operations to overcome high import tariff barriers. Skoda, the Czech subsidiary

of Volkswagen of Germany, has suffered a drastic decline in its sales, in part as a result of the high tariffs, which totalled 35 per cent last year. The duty was lowered to 30 per cent from the beginning of thisyear, Skoda sales in Poland fell to 1,024 last year from 4,764 in 1993 and 24,981 in 1991.

Other east European carmakers have also suffered big sales losses, bowever, with Lada of Russia the biggest casualty, as its sales fell to 58 from 2,114 a year earlier and 8,476 in 1991, according to figures from Automotive Industry Data, the UK-based automotive analysts.

The Polish car industry bas been dominated by Fiat since its takeover in 1993 of a majority stake in FSM, the stateowned car maker, which previously produced Fiat models

The Italian group recorded more than half Polish new car sales last year, with a share of 52.2 per cent, according to Aid. Many importers bave suffered beavy reverses in the face of a resurgence in sales by PSO, which raised its share of

cent from 26.3 per cent a year FSO's outdated Polonez range will face more competition, however, as other western car makers build up local

the Polish market to 33.6 per

General Motors of the US began assembly of its Opel Astra in a joint venture with FSO in Warsaw last year, and Ford of the US is planning to start assembly in the autumn of both cars and vans at a plant at Plonsk, about 60km

assembly.

Both these initiatives will involve only the assembly of kits imported from the two US car makers' plants in western Europe, bowever, and will

have only a modest impact compared with the presence of the Fiat group. Fiat bas nine plants in Poland making cars and components with a workforce of 17,195 and a turnover of

\$1.25bn. Last year it produced

260,000 cars.

Fiat faces a tough challenge to improve the competitiveness and efficiency of the automotive components sector. "One of the most difficult but at the same time very important tasks will be to support the development of technology and to improve the quality and production volumes of the Polish components industry," says Mr Franciscus Welter, director of international development at

It has already attracted into Poland about 20 western parts suppliers and most recently signed a letter of intent with AlliedSignal for the US compo-nents maker to take over its brakes business in Poland.

TOTAL MARKET 250.047 100.0 MANUFACTURERS: Fiat group' FSO General Motors Reneult PSA Paugeot Citroen Ford group Total Jepanese

POLAND'S NEW CAR MARKET

January-December 1994

Alongside Fiat other entries into the Polish vehicle industry have been less ambitions. but several of the world's lead-

ing car makers are keen to break the Italian group's current domination of the market. Ford has been slow to establish automotive manufacturing operations in eastern Europe. but tariff barriers are forcing it to begin local assembly in Poland. The 30 per cent duty currently levied on imported cars compares with no duty on imports of most of the kit parts supplied for local assembly,

most importantly car bodies Ford estimates that less than 5 per cent by value of the imported parts for its kit assembly will attract duty. In

some areas it will seek local suppliers, in particular for items such as batteries, tyres and glass, and eventually expects to satisfy around 10 per cent of its components needs locally in Poland.

Ford will assemble both Ford Escort small family cars and Ford Transit medium-duty panel vans with car output due to begin in mid-September. Production is forecast to reach around 10,000 next year rising to 30.000 in 1998. GM Poland, which is owned

70 per cent by GM and 30 per cent by FSO, is aiming initially to assemble 10,000 cars a year at the Warsaw plant with a workforce of 125 following an investment of around DM30m

a one-day extension, but the gap between the US and Japan was still large, officials indicated. Michiyo Nakamoto, Tokyo Taipei rail plan revived

> Mr Liu Chao-shiuan, minister of transport and project's total funding would come from the private sector.

#### Investment co-operation

Representatives of some 60 investment promotion agencies from around the world decided yesterday to set up a world association to promote co-operative activities, particularly in information sharing, training and management systems. Mr Páid McMenamin, managing director of International Development Ireland, one of the first in the field, said the move was "a very good example of international co-operation in a practical sense that will lead to economic advance". While investment promotion agencies (IPAs) were often in competition with one another, they also had common interests. The meeting in Geneva, hosted by the United Nations Conference on Trade and Development, was the first such gathering of IPAs, Frances Williams, Geneva

Singapore, eventually making about 90 per cent of its VCR production overseas because of the yen's appreciation and good demand in Asia, US and Europe. Toshiba has just lecided to ask its joint venture in Singapore International Video Products to make 2.1m VCRs for Toshiba in 1995-96, up from 1.5m in 1994-95. Reuter, Tokyo

Disney Cruise Lines, a subsidiary of the Walt Disney

Boeing is considering building an aircraft parts plant in Malaysia. Discussions on the plant are still at an exploratory stage, Boeing deputy managing director Richard Albrecht said after a meeting with Prime Minister Mahathir Mohamad. AFX.







Lufthansa

### Partners give Hanoi extra time to bring in tariff cuts

## Asean makes way for Vietnam

By Ted Bardacke in Bangkok

Members of the Association of Sontheast Asian Nations will give Vietnam extra time to comply with the organisation's swift tariff reduction commitments whan the country becomes a full Asean member

As the seventh member of Asean - the current six are Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand – Vietnam has agreed to join the Asean Free Trade Agraement, (Afta), which calls for steady reduction of tariffs so that hy 2003, 85 per cent of goods traded within the region would face maximum tariffs of 5 per cent.

Bnt at an informal Afta council meeting on the resort island of Phuket in southern Thailand, Asean economic ministers decided to allow

economic reforms are still in their economy's structure not complement each other but economy for an additional and

unspecified period. Diplomats and trade officials say this move could effectively result in splitting off most trade issues from Asean, setting up a separate body to deal with trade and letting Asean focus on broader issues of regional co-operation.

A joint statement issued at the end of the meeting said that Vietnam had agreed to reduce trade barriers when it joined Asean, but that the Afta council "agreed that flexibility should be given to Vietnam in her implementation of the [tariff] scheme in view of her transition from a central planning to a market economy."

Before going into the meeting. Asean secretary-general Mr Dato Ajit Singh added:

their infancy, to protect its before exposing it to Asean rather are competitors in the members.

Everybody in the area is anxious for Vietnam to join Asean so the group can deal with important political issues," said a western diplomat observing the meeting. "If that means initially playing down the trade aspect of Asean, that is a sacrifice the members seem willing to

Asean members are keen to open up the Vietnamese market because they believe special access to Vietnam will increase direct foreign investment in the region by companies which want free entry to the rapidly growing market of 71m people.

Vietnam will also diversify the range of economic devalop-ment within Asean. Critics charge that the organisation is

world economy, Intra-Asean trade accounts for only 18 per cent of all trade in the region.

Other items on the meeting's agenda included a region-wide standard for copyright and intellectual property law and the sensitive issue of tariff reduction on non-processed agricultural products, particularly rice. Such goods are excluded from Afta, but riceexporter Thailand, arguing that Afta should move faster than the General Agreement on Tariffs and Trade on agricultural trade, is pressing for rice tariffs eventually to be removed. Malaysia and Indonesia are balking at the idea.

Thailand is really pushing for it hard, but there is nothing of major importance they can offer us and Malaysia in



### **Inflation rate rises to 3.9%** in Australia

By Nikki Tait in Sydney

Australia's inflation rate rose to 3.9 per cent, on an annual basis, in the first quarter of 1995, compared with 2.5 per cent in the year to end-Decem-

But the upward move was attributed to mortgage rate increases resulting from the three interest rate rises which occurred in the latter half of

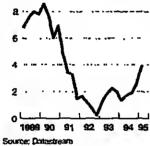
"underlying" rate, which attempts to disentangle extraneous, one-off factors, rose just 0.3 per cent in the March quarter, for an annual rate of 1.9 per cent.

This compared with a 0.5 per cent increase in the December quarter, when the annual underlying rate of inflation stood at 2.1 per cent.

The inflation rise was in line with analysts' predictions, but the underlying increase was significantly lower than financial markets bad expected. Bond prices rallied strongly as

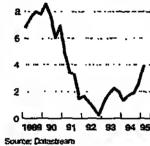
The figures were welcomed by Mr Ralph Willis, Australia's treasurer, who said that they demonstrated that inflationary pressures remain subdued, although he warned that the impact of last year's interest rate increases would also be felt in the current quarter, pushing up the inflation rate

again.
"So far, we have a 1.1 per cent increase in the consumer price index from interest



"I expect that in the next quarter we will have something like 0.3 or 0.4 per cent coming through into the consumer price index from the interest rate increases that have occurred." Mr Willis declared.

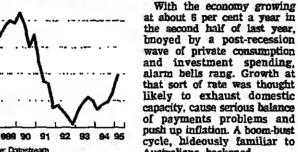
average weekly earnings rose by 1.7 per cent (unadjusted) in previous quarter. than predicted, but was within



He added that there should

be no new implications from yesterday's data for the forthcoming federal budget, which is scheduled to be unveiled on Separate data showed that

the three months to February, after a 1.5 per cent rise in the The annual rate increased from 4.1 per cent to 4.5 per cent. This was slightly higher the range thought hy the Reserve Bank to be acceptable, given the rate of productivity



further deceleration since then. growth has fallen away.

tions during the March quarter. That weakening was broad-based and unexpected." commented a National Australia Bank survey, published earlier this month. "The weakerthan-expected husiness conditions have seen capacity utilisation move downwards ... and some levelling off in near-term

#### Willis gets a rate rise breather But he may be forced into a tight budget, writes Nikki Tait up to tackle unemployment in cent of gross domestic product.

ime has been on the side of Ralph Willis, Australia's Treasurer. As he puts the finishing touches to the federal budget that he will present on May 9, the task of moulding a package that satis-fies financial markets without alienating voters looks easier than it did four months ago.

at about 6 per cent a year in the second half of last year, bnoyed by a post-recession wave of private consumption and investment spending, alarm bells rang. Growth at that sort of rate was thought likely to exhaust domestic capacity, cause serious balance of payments problems and push up inflation. A boom-bust cycle, hideously familiar to Australians, beckoned. Interest rates were increased

three times and, by the end of the year, the growth rate had slowed to 5 per cent. This figure was lower than many analysts - and, apparently, the treasurer - had expected, and most still believe that it understated what was happening. There has been evidence of

Consumer and husiness confidence indices have generally showed sentiment ebbing, for example, and retail sales "There has been a significant weakening in business condi-

wage and price pressures."

But if Australia's economy is back on a safer course, a political price may have already heen paid. The interest rate rises of last year were widely blamed for the ruling Labor party's failure to hang on to a near-safe seat in the Canberra by-election last month. Tha swing to the Liberal-National coalition was 16 per cent, the largest in 20 years.

To compound the problem, many pundits believe that, even now, the growth rate is too high. Bill Shields, chief nist at Macquarie Bank, predicts that at current inter-

point could be added to the official cash rate this year. But the political downside to anything beyond the most modest adjustments leads many pundits to believe tha forthcoming hadget will be

A further rise in interest

rates is thus not being ruled ont. Macquarie, for instance,

forecasts that another 150 basis

tight - the government's hope heing that additional monetary tightening can be forestalled. In January, Mr Willis pledged to move to a balanced budget hy 1996/97. The question now is

#### But if the economy is back on a safer course, a political price may already have been paid

est rates, private demand will rise by about 7 per cent this year. The economy overall could grow at about 4 per cent. That, be suggests would breach the upper end of the desired parameters.

Mr Don Stammer at Bain and Co agrees, citing Australia's continued balance of payments woes said: "Growth is probably at about 4 per cent and even that is too rapid. given that Japan (which takes a quarter of Australia's exports] is taking so long to come out of recession and

given the low levels of domes-tic saving". With the benefit of higher coal prices yet to show through and rural exports depressed by drought, the 1994/95 current account deficit could exceed the government's revised estimate of A\$26bn (£11.8bn) and run at about 6 per

how convincingly close can he come in the intervening year? Economists differ on the starting point for the budget arithmetic. The last official estimate for the 1995/96 deficit was A\$9.8bn. However, pro-ceeds from the Qantas float perhaps A\$2bn - have been

shifted from 1994/95 to 1995/96

and government revenue will

also benefit from the higher growth rate. Thus some forecasters put the "starting deficit" at AS7bnplus (compared with an estimated A\$12.3bn in 1994/95); others pitch well below A\$6bn. Mr Willis has indicated that something "around" the A\$7bn mark is most likely. Either way, financial markets are

Some broad areas for saving have been flagged. Extensive labour market programmes set

looking for a cut of at least

the darker days of 1993/94 should look less costly, given the recent fall in unemployment. Some tighter targeting of welfare benefits seems likely.

On the revenue front, there has been talk of raising the company tax rate from 33 to 35 per cent. This could generate about A\$1bn, although it would partly reverse a decision to cut the rate from 39 per cent, just two years ago.

An increase in the personal tax on wealthier individuals, possibly through changes to the "Medicare" levy, the national healthcare tax, is another possibility.

A bigger dividend from Telstra, the government-owned telecommunications group, and part privatisation of some of its subsidiaries, such as Yellow Pages, have also been mooted. The introduction of a 3 per cent superamnuation levy on employees - a move which would help to improve Australia's low savings ratio - seems almost certain.

All this adds up to a complex political game given the absence of a government majority in the Senate, parliament's upper bouse, through which finance measures must Some analysts worry that

ministers may yet sculpt a package which is politically nalatable and depends on oneoff items to achieve the desired cuts, rather than pursue more sustainable changes.

"It's going to be a question of how people assess the nature of what's proposed, not just the numbers themselves," says one analyst, summing up the financial community's lingering ASIA-PACIFIC NEWS DIGEST

### Row over blow to Tokyo fair

A decision to cancel an international exposition in Tokyo by Mr Yukio Aoshima, the city's new governor, drew heavy criticism from companies taking part and metropolitan government assembly members yesterday. Cancellation of the World City Exposition, in which cities including New York and Rome planned to take part next year, raised an outcry from leading businesses including Nippon Telegraph and Telephone, Sumitomo and other companies which had started

The Tokyo government, trying to persuade Mr Aoshima to retract his decision, estimates it would have to pay Yston. (2500m) in compensation to businesses and foreign cities if cancellation goes ahead, as well as losing the Y20bn it has spent on the project. The cancellation was one of Mr

Acelnina's campaign promises.
The project was conceived at the height of the asset in the late 1980s by the then governor, Mr Shimichi Sozuki. The exposition, to be launched next March for 20t days, would the Tokyo government estimates, attract some 20m visitors, but Mr Aoshima has called such projections too optimistic. *Emiko Teruzono, Tokyo* 

#### Japan subcontractors 'bullied'

An investigation by Japan's Fair Trade Commission anti-monopoly watchdog has found 94 per cent of Japanese retailers which subcontract private brand products had "bullied" their subcontractors by returning imdamaged articles, and taking other steps which breach Japanese law.

About 30 per cent of Japanese retailers investigated by the FTC were found to have returned private brand articles to the

companies, on the grounds they were not selling well.
Failure to make payments on time or include payment
prices on contracts was also commonplace. Of the 700 retailers surveyed, 42 per cent of department stores and 39 per cent of supermarkets returned products received from their

subcontractors.

Some retailers demanded delivery payment from subcontractors, while 15 per cent of retailers surveyed had. forced subcontractors to purchase goods from their stores.

The findings were based on a survey of 700 retailers and 1,900 subcontractors covering the first half of 1994. The FTC has asked retailing associations to ensure retailers comply. with Japan's subcontracting law, which prohibits certain practices against subcontractors. But the FTC does not have any legal power against offenders. Michiyo Nakamoto, Tokyo

#### Recycling bill under way

The Japanese government is today to formalise a controversial environment hill on recycling bottles, cans and plastic. The expected approval comes after hagging between the health and welfare ministry, the ministry of international trade and industry, and the agriculture ministry over who should help bear recycling costs.

Under the agreed bill, manufacturers, distributors, importers and container makers will have to pay part of the recycling cost. The health ministry and Miti had initially rejected the agriculture ministry's call for container and container-material makers to have to share costs. The final compromise includes only container makers among industries covered by the bill, Emiko Terazono, Tokyo

#### India to speed investment

New Delhi yesterday outlined plans to speed foreign investment projects, proposing a fast-track authority to aid implementing partnership with state governments. Commerce Minister P. Chidambaram told a conference at the Indian Institute of Foreign Trade: "The investor coming to India faces too many constraints. We must find a way for investment to be dealt with on a special track so the time from the day of submitting the proposal to the day production commences is cut drastically." The government wanted to speed access for foreign investors to water, power and roads.

"It requires giving overriding powers to ensure these services are provided." The type of link had yet to be determined, but "I think most states can be persuaded".

Between 1991 and 1994, the government approved \$7.2bn. (£4.5bn) in foreign direct investment, much of it in petroleum. US proposals made up 38 per cent of the total, with Britain in second place with 9 per cent. But only a quarter of proposed direct investment has yet flowed into India. Reuter, New Delhi

#### Mahathir wins last seat

Malaysia's prime minister Mahathir Mohamad capped this week's landslide election victory by winning the last andeclared seat in the north Borneo state of Sabah yesterday. et a emphasi

\*\*\* \*\*\* **\*\*** 

ひょう いりまる 

大学 ラント は 野事

1 Me 60 2 - 18 25 - 15

of territory Tortal

The same of the sa

VIN CALPRA

Polls in the Kinabatangan seat had been delayed because constituency officials had forgotten to open a polling station.

Victory in Sabah underscored Dr Mahathir's National Front coalition's biggest election win. The coalition has 162 of the 192 seats in the new parliament; it also won 10 of the 11 state assemblies contested, its only setback being failure to recapture Kelantan from the fundamentalist Moslem All-Malaysian Islamic party. Reuter, Kuola Lumpur

■ New orders received by Taiwanese manufacturers in March were up 17.9 per cent from the same month last year and up 5.4 per cent from February. Overall leading indicators dipped fractionally in March, down 0.1 per cent to 105.4 on the month. South Korea's current account deficit widened to \$1.64bp (£1hn) in March, from \$485m a year ago, due to soaring imports. Current account deficit in the first quarter rose to \$3.75bn from \$2.16bn a year ago.

TENDER NOTICE

### Beijing party chief 'submits resignation' amid scandals munist party elite, intensifying as the Deng era draws to a close amid recur-

Beijing, Mr Chen Xitong, has submitted his resignation amid a string of corruption scandals in the municipal government, Reuter and AP report

The reports, attributed to sources in the Beijing government, were denied by an official in the Beijing city mayor's office. However, it is reported that Mr

Chen, a member of the Communist

Party politburo, had accepted respon-

sibility for the activities of his subor-

dinates, and was to be replaced as Beljing party chief by fellow politburo member Mr Wei Jianxing.

Mr Wei, a protege of national assembly chairman Mr Qiao Shi, is currently head of the party's Central Commission for Discipline Inspection, the watchdog of party probity.

Mr Chen's resignation, if confirmed, would mark the culmination of a series of recent corruption scandals. some with political overtones, which have rocked Beijing's powerful municThe city's second vice mayor, Mr Wang Baosen, a former aide to Mr Chen, committed suicide on April 4 after coming under investigation for corruption. It was the first reported suicide of a senior official since the purges of the Cultural Revolution.

currently under investigation, including a second former aide to Mr Chan and a senior city state security offi-

Beijing's political turmoil may also

Other senior Beijing officials are

stand as mayor of Beijing against the

president Mr Jiang in recent months. reflect manoeuvrings within the com-

rent tales of the elderly patriarch's imminent death. Mr Chen, said to be an associate of prime minister Li Peng, was promoted to the politburo following his hardline

A\$3bn\_

1989 Tiananmen Square pro-democracy demonstrations. However, he is rumoured to have clashed with party chief and state headed by Mr Jiang, would accept Mr Chen's resignation. The only senior Chinese Communist Party official to have resigned was late party chief Mr Hn Yaobang.

Chinese analysts said if Mr Chen's resignation were accepted it would almost certainly only be with the approval of paramount leader Mr Deng Xlaoping because of Mr Chen's seniority in the Communist Party. Mr Chen has not resigned from the Politburo, to which he was elected in

### where the power industry connects 16-18 May 1995, RAI, Amsterdam, the Netberlands — The largest and leading conference & exhibition for the electricity generating industry —

Over 150 expert presentations from 22 countries, titles are e.g.:

The impact of fuel policies in the long term power production in Hungary, MVM The future structure of the industry in Europe, Andersen Consulting Towards a worldwide electrical public utility concept, Electricite de France Utility to IPP, National Power

Financing projects in Eastern/Central Europe: a developer's view, Enron · Keynote presentations by:

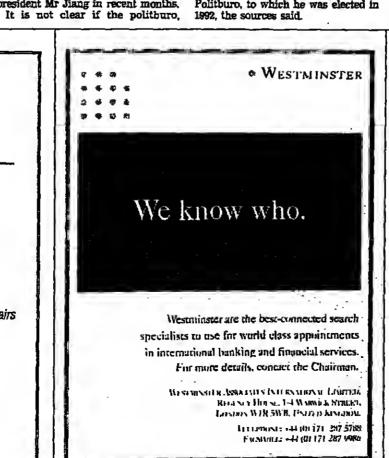
Mr Ketting, President of Eurelectric - Mr Lundberg, President of Unipede - Minister Wijers, Ministry of Economic Affairs Monday May 15 . Round table discussion

> for dealmakers : Financing and investment opportunities in Russia and C.1.S.

dealmakers funch Financing and investment opportunities in Central & Eastern Europe

panellists: Russian Deputy Minister of Fuel and Energy, representatives from IVO, Polish Power-Grid Co., RAO Rossi, Amoco, Gasprom.

For more information, please contact Nel Jonk by phone at •31-30 650 963 or by fax at •31-30 650 915.

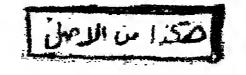






#### The Islamic Pederal Republic of Comores has requested a credit from the World Bank to finance its Economic Raform Program. Parts of this credit will be used for the payment of certain imports notably petroleum products. The Societé Comorienne des Hydrocarbures, in charge of providing the country with petroleum products, invites international tenders for the supply of the following: MOGAS (95 Rog) 10,000 Metric Tens GAS-DIL (59/50 or 45/55) JETAL (ATE) 8,000 Metric Tons (Sulpher content below 1%). ply; mix curgo by batch of 1500 to 2000 MT. First delivery: 1st June 1995 Partitier deliveries: every 45 days after first delivery, according to program defined with Société Comoriente des Hydrocarbures. Prices: in US dollars CIF delivered invariably to MORONI or MUTSAMUDU. Besed from medium quotesson of Platt's Oligram Price Report including and ventilating the other fees of loading, transportation, inspection, insurances and margins. Payment in US dollars, by irrevocable and confirm letter of credit: Any considere interested in this international tender can obtain a complete ms providing specifications and other necessary information against a non documents providing specifications and other necessary information against a non-trimbursable payment of 100 USD. Scaled officer are to be received no later than May 17th 1995 at 3 pm (local than) by: Mousieur le Directeur Général de la Société Comorienne des Hydrocarbures. PO Box 28, Moroni R.F.L Comoros. TENDERS DOCUMENTS CAN BE OBTAINED AT: Société Comorteine des Hydro BP 28 MORONI-COMORES Tel: (269) 73.04.86/73.09.71 Fee: (269) 73.18.83 - F) Embassy of R.F.L. Com 20 rue Marbem 75016 PARIS Tel: (33 T) 40.67.90.54 Fee: (33 1) 40.67.90.54 General Consulate of RFI Conneres in Saudi Arabia Tel: (966-2) 693.69.63 Offers will be opened at the Company's Headqu 17th 1995 at 4 pm (local time) in the presence of bidders or their repr

THE TAX FREE WAY TO PLAY THE MARKETS\*



ADVERTISEMENT

# THE DOCUMENT COMPANY RANK XEROX

Rank Xerox invests £37m in document-productivity complex

# Welwyn centre opens

n April 21, Mr Michael Heseltine, president of the board of trade. opened Rank Xerox's £37m Technical Centre in Welwyn, Hertfordshire. The centre brings together 800 staff, who can now work more closely to develop solu-tions that add value to customers' business processes and enhance the use of traditional Xerox equipment. During a tour of the 200,000 sq ft centre,

\*transcripts bullied.

100

7.0

Mr Heseltine was shown a number of solu-tions in areas such as systems integration, software development and educational and

Mr Heseltine then entered the stage of the main auditorium where more than 200 costomers were present. Mr Bernard Fourmier, managing director of Rank Xerox, gave a short speech underlining the importance of the centre to Xerox.

"It centralises a lot of activities that were decentralised before and will increase the synergy between them, allowing Rank Xerox to focus on its top priority of customer satisfaction," he said.

#### Shift in emphasis

Mr Fournier then introduced Mr Paul Allaire, president and chief executive officer of Xerox in the US. Mr Allaire said the centre demonstrated Xerox's shift in emphasis from manufacturing to profes-sional services, such as consultancy for companies who want to connect Xerox's products up to networks. Some 60 per cent of staff at the new centre have systems

and networking skills. Other services offered by the centre include: systems integration (integrating celebrating the opening of the Technical

n April 21, Mr Michael Heseltine, different systems); document products, applications and services; education and training; and translation services.

"The centre's expertise won't just be confined to the UK," said Mr Allaire. "It will be a centre for excellence within Xerox, providing expertise to 129 countries (outside the Americas). It will be able to demonstrate how world-class productivity can be achieved through more effective document creation, distribution and printing." He said Xerox had made a major investment in the centre because it saw tivity - through more effective documents, produced, translated and distributed more quickly - as a significant business oppor-

Mr Allaire then introduced Mr Heseltine who welcomed Rank Xerox's investment in Welwyn, Hertfordshire, and its close links with local schools and colleges, and local businesses. These have been devel-oped since 1968 when Rank Xerox set up a manufacturing plant at the present site. It now manufactures at other sites in the UK

and Europe.

Mr Allaire said: "Education facilities in Welwyn Garden City are excellent and the company has well-established recruitment and training programmes, ensuring a healthy flow of locally-trained apprentices and trainees for the future. Its location in Hertfordshire has played a major part in the success of the company as it provides a convenient location between the United States and Rank Xerox markets in Europe,

Asia and Africa." Mr Heseltine then unveiled a plaque

Centre and expressed the wish that other high-tech companies would follow the Rank Xerox example by locating interna-tional centres for excellence in Britain.

The day continued with speeches from a number of Rank Xerox divisions. Among the highlights was a talk on Documents Direct', a sort of "electronic DHL" service for creating, translating and distributing documents over global networks. Mr Chris Barnes of Rank Xerox Business Services

#### Two-day showcase event The official opening of the centre was

the second day of Rank Xerox's two-day Showcase '95 event. The event was designed as a showcase of best-of-breed applications for improving document productivity. On April 20, the company's value-added resellers were invited to demonstrate their document solutions to 300

people.

Mr Roy Capon, who helped to organise Showcase '95, expects customers to benefit from the increased centralisation made possible by the new building.

"The centre combines customer support with staff involved in customising document solutions, and development staff," says Mr Capon, manager of business solu-tions services at Rank Xerox.

"I believe there will be a lot of cross-fertilisation of ideas between them and an increase in productivity, not just here in Welwyn but at Rank Xerox customer operations in other countries which the Centre supports."

### Documents for the world

cutting costs.

t least baif of the world's multina-A tleast half of the world's multina-tional companies need to distrib-ute up to 50 per cent of their key documents on a global basis, according to

a recent survey by Xerox in the US. But many are under-equipped to do this, either because the capacity of their computer networks is limited (especially for bulky documents) or because they are not able to translate them quickly enough, or print them on demand.

Mr Chris Barnes, marketing manager of Rank Xerox Business Services (XBS), says: "In the past 10 years, many organisations have focused too much on information technology (IT) and too little on critical documents. Badly produced documents can dissatisfy customers and delays in producing documents (such as manuals)

XBS is already managing global document distribution for organisations such as the **European Patents Office** 

"One of the major growth areas in document outsourcing will be in global docu-ment distribution or what we call 'Docu-ments Direct'. There is a market need to create, translate, store, print and distribute documents on a regular basis for cus-tomers operating in global markets."

XBS is already managing global docu-ment distribution for organisations such as Dun & Bradstreet and the European Patents Office. Critical Dun & Bradstreet market reports are received at the XBS technology centre in Gloucestershire either via a network or electronic tape. Then, via sophisticated project management processes, they are checked, printed on electronic laser printers and distributed to Dun & Bradstreet locations throughout the world, finished to customer require-

ments. Other global companies which have out-sourced the management of mission-critical documents to XBS include Ford and Barr & Stroud.

"Every organisation needs its critical documents in the right place, in the right language at the right time, whether it be a time-critical document such as Ford Mondeo service manual translated into Hungarian (the car won't leave the factory

local maintenance of a Barr & Stroud peri-scope." says Mr Barnes. The market for document outsourcing is relatively new but the emphasis is begin-ning to change. XBS started to offer document solutions in the recessionary late 1980s, when customers saw outsourcing their document management as a way of

"Now customers are becoming more demanding", says Mr Barnes. "They want us to tell them how to make better documents. They are starting to see outsourcing document management as a way of adding value to their business - making a contribution to improving productivity or time to market, while enhancing the appearance and quality of their docu-

Change management strategies (such as business process re-engineering, where a company breaks down husiness processes into their constituent steps and re-designs them with the aim of speeding them up) have also highlighted the importance of the document

"Documents are the glue that binds the different steps together." says Mr Barnes.
It is little wonder then that documents consume an average of 60 per cent of office workers' time and up to 8 per cent of revenues (Source: Xerox).

XBS offers a variety of services which can help companies get more performance from their documents. These range from consultancy from its team of document consultants, to managing companies' own print rooms, to managing document production, translation and distribution. Its network of high-street Document

Centres also provide document outsourcing services. More than 100 UK companies have outsourced the running of their print rooms

Multinational companies make particular use of XBS' translation services.

XBS uses computer-assisted translation techniques to provide large-scale, multilingual translation services.

Working with clients such as General Motors' subsidiary Vanxhall, it keeps a computer record of the way in which the company requires certain words or phrases to be translated.

This means that in subsequent jobs for without it) or engineering drawings for a Vauxhall, a term such as "fuel line" will

always be translated in the same way. Xerox's translation software was developed in-house and XBS has built up several specialised dictionaries which belp speed up the process of translating a document (such as a car manual) from English

into more than 20 European languages. The software is designed to work with particular translators at XBS's Language Technology Centre, complementing the way they work. But translation is not

viewed as an isolated task, rather as part of the document life cycle. This process becomes quite complex when many versions of the same document in different languages are involved.

So project managers are assigned to make Rank Xerox practices what it preaches and contracts out a

number of business-critical services

sure the different phases are synchronised and critical deadlines met. Tight project management has helped XBS develop a major business from its UK-based translation services. It also has a

network of translators around the world. But Rank Xerox does not just see outsourcing as something it sells to customers. It also practices what it preaches and contracts out a number of business-critical

It has, for example, outsourced the management of its UK sites to CBX, a company founded by former Rank Xerox employees and backed by Rank Xerox, those former employees (in a partial buy-out) and cost

management consultancy Currie & Brown. The company also outsources equipment distribution to TNT and worldwide information management to General Motors' subsidiary EDS in one of the world's larg-

est IT outsourcing deals. Barnes believes that document manage ment outsourcing is catching up rapidly with the growth rate achieved in the 1980s for IT outsourcing.

He says the total UK market has grown some 400 per cent since 1990 with more than 250 organisations outsourcing document management.

Barnes of Rank Xerox Business services.

Division said the Technical Centre would play a key role in providing this service.

THE yeart of inner peace and harmony, just follow these simple steps Company



Total Satisfaction Guarantee" means you can change your machine simply by calling up. We won't ask any questions more Zen than that? Call us on 9890 187 187 for further information.

THE DOCUMENT COMPANY

RANK XEROX



### SPONSORSHIP PUTS YOUNGSTERS IN TOUCH

Some of the areas with highest priority on South Africa's development schedule will receive a major boost to their ability to influence young people this year. As a direct result of the Rugby World Cup, and the sponsorship package put together by Rank Xerox, 17 of the South African Rugby Football Union's development officers will be given Rank Xerox equipment, enabling them to distribute more information

Attracting young people to the game of rugby, and the values that it espouses, is a specific priority for SARFU and a key factor in South Africa's cultural

### THE DOCUMENT COMPANY RANK XEROX

ank Xerox wants its workforce to mirror the diversity it finds in the countries in which it operates. Diversity is more than a moral imperative, the company believes. It also makes good business sense.

"The available pool of potential employees is going to change due to demographic trends, such as fewer young people in the workforce, and women gaining more qualifications," says Liz Barnes, the Rank Xerox personnel manager responsible for equality and diversity. "Companies which limit themselves to hiring only white males will miss out on some of the best

A diverse workforce can also add to a company's creativity as a broader range of opinions helps form its perspective. And a diverse workforce can provide insights into an increasingly diverse customer base "With global competition, you have to understand people from different cul-tures," says Barnes.

However, Rank Xerox sees diversity as more than just giving equal opportunities to people with different physical attri-

Following a survey carried our in its Marlow office, Rank Xerox is to run a series of workshops for all staff, to raise awareness of diversity

hutes. It is about sustaining a culture where individual differences of all kinds are valued; where people can be them-selves and make a full contribution.

But how is this to be achieved in practice? Following a survey carried our in its Marlow office. Rank Xerox is to run a series of workshops for all staff, to raise awareness of diversity. The workshops will examine the importance of diversity and what part they have to play in encour-

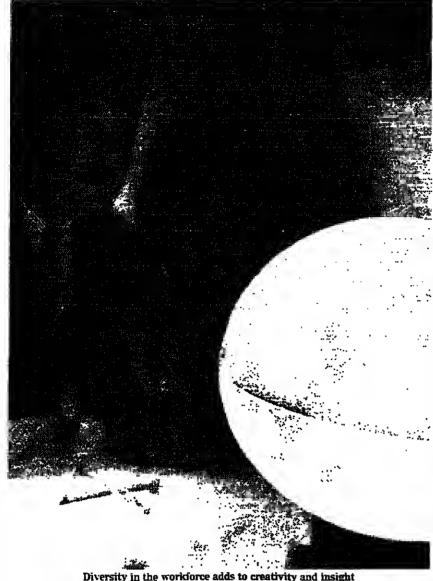
The workshops will be followed by skills training (for the top tier of managers) in supporting diversity. And all the company's European human resources/personnel managers will meet in early April to dis-cuss equality and diversity, share hest practice from each of their countries, and produce a programme of action.

The first step is to make managers aware of their unconscious assumptions. says Barnes. The next is to show them what is wrong with the assumptions. For example, a 25-year-old woman who has just got married might be passed over for promotion on the mistaken assumption that she will get pregnant and leave.

"But the career aspirations of women have changed," says Barnes. "More and more women have degrees. They are also having fewer children (down from an average of 2.2 to 1.8) and they are having them

later [the average age is 28]."
"in addition, people will often become aware of their attitudes if asked constantly why they promoted one person rather than another. And once they are aware that they are discriminating, many will stop. Over time, it is possible to create an environment where certain types of behaviour are considered unacceptable, as has happened with smoking."

Rank Xerox is against having enforced quotas for the number of ethnic minori-



### WHY DIVERSITY IS THE BEST POLICY

ties, women, and people with disabilities it

But, as part of its policy for mirroring the diversity in the communities it serves. the company will be looking at how many ethnic minorities are entering the UK workforce with the types of qualifications and skills it requires. It has set recruit-ment goals and will monitor its progress against them.

Managers will be encouraged to hire from the greatest pool of talent available. based on getting the best person for the

Barnes believes that: "Once we've pro-moted and sustained a culture where diversity is valued, we will be able to stop worrying about the numbers." To support that position. Rank Xerox is planning to do some work on its advertising to attract more applications from people with disa-

hilities, and its subsidiaries around Europe will be concentrating on different aspects of diversity, depending on their local circumstances. For example, Rank Xerox in France will be focusing its recruitment campaign to attract more women into the

In the UK, Rank Xerox plays an active part in many equal opportunity and diver-sity initiatives. In 1992, the company won the UK's Women in Business Award, it is involved in a Vanguard Group benchmarking initiative, and is represented on the Confederation of British\_industry's Equal Opportunities Plan, the Employers Forum for Disability. Women 2000, and the Race for Opportunity. "Our aim is to discriminate only on the hasis of ability," says Barnes. "We are breaking away from a mould or an image of what a Rank Xerox employee has to be or to look like."

# INTO THE FUTURE

Bernard Fournier has been in charge of pushing through a programme of massive organisational change. Until recently, however, he has had little evidence that his efforts were paying off.

"In 1993 in particular, we worked extremely hard hut did not see any results," he recalls. "We knew we were doing the right things but had no way of judging for sure".

Although such frustration was then no doubt equally familiar to many of his counterparts - those similarly struggling with what proved to be the tail-end of recession - few can have embraced change on quite so many fronts at once: the launch of a new corporate identity; the loss of 3,000 out of 27,000 jobs; the re-organisation of product and service divisions into smaller geographic units; and, perhaps most amhitious of all, the re-engineering of the company's four core pro-

Now, several years on, Fournier can gauge the merits of his strategy with greater certainty. "Last year, we improved revenue by 5 per cent, while pre-tax profits before restructuring costs grew by 80 per cent", he remarks. Equally as important, those inside can actually see the differ-

"Now people understand that we were doing the right things", he explains.

Perhaps the most visible change from

outside is the re-styling of Rank Xerox as The Document Company', a name that charts the shift away from the copiers with which the company has been tradi-tionally associated to its current emphasis on a broad range of document management solutions. As Fournier observes, it is a move that requires a certain amount of re-education, both internally and exter-

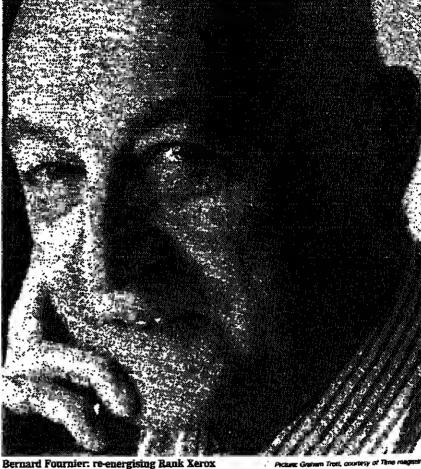
"The problem is that the notion of the document is not clearly understood by the market - and, to an extent, not totally by ourselves, either. As a result, we have to educate the market, and we have to look at how it develops".

To press his point, Fournier cites figures that underline the central role of the document in any husiness; that the cost of creating and managing documents typically accounts for about 8-10 per cent of a company's turnover (as against only 3 per cent for information technology); that documents consume up to 60 per cent of the average office worker's time.

"If we tell companies that they will make large gains in productivity if we can improve both the way in which we make these documents and the message which comes out of them, then they start to understand. Some already do.

"But," he warns, "it will take time". In the interim, Rank Xerox might take comfort from the fact that many of its competitors appear to follow the same logic. As Fournier points out, the terms "document management" and "document solution" have gained an increasing currency across the industry.

He also senses that "people are now more open to the idea that handling the



It is not just the company's name and logo that are different, however. The substance, too, has radically changed. With the aim of improving the organisation's responsiveness to both current and future change, Fournier instituted an extensive restructuring programme. On one side. Rank Xerox was split into nine husiness divisions, to mirror the Xerox organisa-

Rank Xerox opted to introduce a new business unit based on what it judged to be the ideal size - about 400 staff. It is now a model applied throughout

tion. On the other, its existing structure of

sales and service operations hased on

national boundaries was divided into cus-

tomer business units (CBUs). The rationale was simple. "Again and again we found that, whatever the economic environment, the areas that produced the best results - Portugal, Switzer-land, Austria. Belgium. Holland and Denmark - were also usually the small-

From that simple realisation, and build-ing on the findings of previous heach-marking exercises, Rank Xerox opted to

Introduce a new business unit based on what it judged to be the ideal size - about 400 staff. It is a model now applied throughout, with the result that today many of its largest markets - including its traditional heartlands of France and Germany - are now divided into a patchwork of CBUs. The UK and Ireland, for example, currently comprises seven units. Belgium, meanwhile, remains as one.

In tandem with this decentralisation, the managers of these new units - those who, in many cases, previously held the equiva-lent title of regional manager - have been given greater powers.

"You might say that it's the same joh with a different name", counters Fournier, But that would ignore the fact that each manager is now responsible for profit and loss and can make a whole range of decisions as to how that unit is run".

In some cases, the effects of devolution have been remarkable. Italy, for example, after years of consistently poor results, was recently split into three autonomous units. Already, in the first year under this new arrangement, revenues have grown

Furthermore, Rank Xerox has also sought to re-engineer some of its key pro-cesses with the aim of reducing overheads by 20 per cent. Four main areas have

Continued on Page III

ank Xerox, winner of an enviable A awards such as the Baldridge Award and the Deming Prize, is something of a colossus in the world of quality management. Indeed, the international document company has taken something of a friendly "big brother" approach to other companies and has always been willing to share freely its experience of a decade of quality management.

Ironically, Rank Xerox has almost become a victim of its own success. Since it won yet another prestigious quality award in 1992, the European Quality Award (given for the first time by the European Foundation for Quality Management), the stream of requests for help has

The company, committed to spreading the quality gospel, has been loath to close its doors to outsiders. Instead, it has taken the logical step of launching its own fullyfledged quality consulting business, simply called Xerox Quality Services.

Piloted in 1994 and fully launched at the beginning of this year, Xerox Quality Ser-

The launch is surprising. given Rank Xerox's highly public restructuring and consolidation in its Xerox 2000 initiative

vices is based at Rank Xerox's international headquarters in Marlow (UK), XQS has a complete raft of quality training and support, including consultancy, training and workshops, as well as help and suoport in implementing quality management. Mainly working with international husinesses, XQS consists of a pan-European team with bases in northern and central Europe, fielded mainly by nationals in each respective country. These teams help husinesses to craft qualityhased strategies and to implement practical quality tools and processes.

Although logical, the launch of XQS is something of a bold step. With the number of quality-based training and consultancy husinesses estimated to he as large as 850,000, there is little doubt that the market is intensely competitive.

The launch is even more surprising, given Rank Xerox's highly public restructuring and consolidation in its Xerox 2000 initiative. Against this hackcloth, the launch of XQS could seem nothing more than a diversion, even if it has the springboard of Rank Xerox's reputation in quality management.

Brendan Rogers, the newly-appointed general manager of XQS, robustly rejects this interpretation. He declares: "Bringing these services to the market is directly in line with our corporate mission as 'The Document Company', committed to contrihuting directly to our customers' produc-

essentially about managing orocesses.



# Making quality a business

Most processes are document-intensive. The combination of our worldwide strength in both process management and document management enables us to make a major value-added contribution to our customers."

The launch of XQS comes at a time when the whole quality movement is going through a tough period as recessionary pressures have caused a growing number of disenchanted managers to claim that quality initiatives make little impact on husiness performance.

Rogers and his team are not deterred hy these criticisms and are hullish about prospects in the quality services sector. He argues that one of the organisation's key advantages is that many of its tools

and approaches have gone through the

refiner's fire of a living, changing husi-

In this testing ground, the only tools to He explains: "Quality management is survive are those that make a real impact on the daily performance of employees and

ultimately, the business itself.

In order to continue grounding its approaches in the real world of work, XQS regularly uses Rank Xerox managers. "We have the capacity to mobilise internal line managers and specialists - people who are working in the trenches with quality approaches and are dealing with many similar issues and problems as our clients," stresses Rogers.

One client, Britvic Soft Drinks Ltd. believes that this type of hands-on experience across the whole spectrum of an organisation is why XQS "stand out from the pack of quality consultants". Malcolm Holden, director of quality management, declares: "XQS people are committed to the quality process because they know, and are actively involved with, the quality journey of Rank Xerox itself".

XQS has confronted the criticisms levelled at the quality approach head-on hy describing its remit as "enabling its clients to improve their husiness performance

through the practical and effective implementation of Total Quality Management".

Rogers asserts: "Quality has not passed its shelf life. Based on the experience of Rank Xerox, we firmly believe that quality

can create organisations which are more dynamic, more flexible and able to change, more focused on husiness priorities and continuous improvement". Britvic's Malcolm Holden agrees. Brit-

vic's current work with XQS is using "quality to drive husiness results". Holden says: "We are applying quality to everything we do - our methodologies, processes, practices and, most importantly, our behaviours. This holistic approach will help create committed customers and highly motivated employees, thus making a direct and measurable impact on our bottom line profits".

Only time will tell whether Rank Xerox can demonstrate that quality can be both a powerful tool for change and a successful business in its own right.

### Teams seek kev to customer loyalty

rice Waterhouse estimates that lost customers cost British industry £100bn every year. And that win-ning them hack would cost another £100hn. But holding on to customers isn't easy. How does Rank Xerox create customer lovalty?

The first step towards improving customer loyalty is to find out what customers' perceptions are about your organisation. Rank Xerox has put together a network of teams drawn from all parts of the company to focus on satisfying cus-tomers and winning their loyalty," says Stephen Cronin, group resources director.

To this end. Rank Xerox carries out several surveys. Twice a year, an external agency records the attitudes of customers and potential customers to the company, compared with its competitors.

Customers are interviewed by telephone and asked about the performance of the company's equipment, its responsiveness as an organisation, the level of service provided by its sales and support staff, and so on. In addition, Rank Xerox conducts several surveys of its own. For example, it surveys every customer who huys one of its products 90 days after delivery. As well as surveying a random sample of customers who have had a service visit, it also carries out qualitative research through focus groups consisting of a cross-section

of customers. The focus groups are asked questions such as: "What factors would make you

remain loyal to us as a supplier?" Martin Fairn, head of customer satisfaction and quality, says: "Our research has shown that the Total Satisfaction Guarantee (Rank Xerox's no-quibble three-year replacement warranty) and reliable equipment is an absolute minimum in terms of customer satisfaction. Satisfaction with the product is not necessarily a driver of

loyalty."
Price Waterhouse's recent research into customer loyalty/customer satisfaction says that relationships and the responsiveness of the organisation are key factors for customers to remain loyal.

"What we have found," says Fairn, "is that there is no one thing that creates customer loyalty. We emphasise to all staff

that every time they contact a customer they have an opportunity to develop that loyalty." But trying to create a culture where customer satisfaction is everyone's number one goal involves more than just telling staff that it is a good idea. Staff are given specific customer satisfaction tar-

gets, and receive reward and recognition

for achieving them. This can add about

5-10 per cent to an employee's salary

depending on the joh they do.

There is also a recognition programme targeted at people who demonstrate extra

care with customers. Staff can see how close they are to meeting their targets because most of these are measured monthly. For example, the target for resolving customer complaints is that 95 per cent must be resolved within 48

Fairn says Rank Xerox scores between 94 and 97 per cent in its own surveys and either comes first or joint number one with its leading competitors in the external benchmarking tests. "It might sound as though the picture is

rosy," he says, "but we have much to do to maintain that level. For example, we have set ourselves a target of cutting customer loss rates to below 6 per cent in 1995."

One of the company's loyalty programmes for 1995 has identified a number of customers in the likely-to-change bracket (people likely to replace machines they purchased 3½ to 4½ years ago) and will make a concerted effort to keep them. "The size of the opportunity is considerable," says Fairn. "If we were to have no

customer losses at all, we would generate an extra \$50m in annual revenue from sales of equipment and associated ser-

THE PERSON

The state of

- 1889 M

#### **Expectations are rising**

Building customar loyalty is especially important in a mature market such as that for reprographic equipment where most purchases are replacement machines and there are plenty of suppliers.

"The challenge in huilding customer loy-alty," says Fairn "is that just when you think you understand it, a new husiness comes along that sets new standards. It can be in a completely unrelated field like the 24-hour telephone banking services. Why shouldn't customers expect the same standard of service from us?"

"We have noticed that customers' expectations are rising in terms of the levels of responsiveness and care they demand. For the customer loyalty team at Rank Xerox, this means constantly refining the way we measure customer satisfaction and identifying what customers want - and constantly finding new ways of encouraging a company culture that generates customer

Research shows that it is five times more expensive to win a new customer than to hold on to an existing one once sales and marketing costs are taken into account. "But you can't hold on to customers without the involvement of everyone in the company, or without those customers wanting to do business with us" says

حكدا من الأعلى

#### **ADVERTISEMENT** THE DOCUMENT COMPANY RANK XEROX

## WITH A STRATEGY THAT WORKS

Continued from Page II fallen within its scope; "market to collection" (the organisation of the sales force, business development); "invoice to collection" (payment systems); the integrated supply chain; and service quality (product

Already it has shown results; percentage inventory to revenue has been cut from 15 per cent to 12 per cent, with 10 per cent

the eventual target.
"Initially there was some scepticism",
admits Fournier, "but people now believe in it, have seen its impact - and now there is a clear vision". A more immediate spur behind last year's improved financial results was the decision to benchmark revenne performance. Under the project, an international working group was set up to identify and analyse those areas of Rank Xerox's marketing operations that consis-tently produced the highest annual sales

On the back of its research the group was able to draw out a list of 10 key benchmark practices

Its aim was to answer one simple yet nagging question; what was it that made a husiness unit in a particular country far more successful in selling a certain product than any of its peers?

On the back of its research - an exhaustive process which stripped every part of the marketing function down to its constituent elements - the group was able to draw out a list of 10 key benchmark prac-tices. Once validated, details were circulated to all countries for implementation.

"It used to be impossible to take a process invented in France and put it into the UK - or vice versa. The same could be said of virtually any two countries in which we

quality, everyone has the same training and the same understanding. It has helped drastically". Throughout these changes, Rank Xerox has persisted in its belief in the virtues of selling through direct channels. "Wherever possible we prefer to manage that side ourselves", explains Fournier. "Though most of our competitors will make the same technological changes as us, through using indirect channels, they

will not be able to make the software

changes. They will continue selling hard-

In some cases, bowever, the development of new Rank Xerox products that are not suited to direct channels inevitably raises the issue of how to maintain the expected lavels of service. "For most of our products we have built tha indirect channel through exclusive outlets", says Fournier. "Here, though we cannot have the same service guarantees, we nevertheless have a big influence".

A key part of maintaining that influence

has been to either provide staff with the necessary training or use former Rank Xerox employees who already have a firm grasp of the company's culture. The same option, however, is not open in some cases; a new low-end printer, for example, is sold through large electrical retailers. "It's a totally independent channel and so depends much more on the quality of our support". The development of new mar-kets has also brought a gradual shift of culture within the company - in particular, an increasing willingness to bring in staff from elsewhere.

"As we enter new husinesses and become more and more involved in systems, we increasingly need people who have a different set of experiences and can hring the expertise that we currently lack. It has the additional effect of challenging the existing staff. They see people coming in with different ideas and different views

operated. Today, with a culture based on and that helps. It pushes everybody". On a wider scale, the prospects for Rank Xerox's major markets in Western Europe appear uniformly good; both the UK and Germany are expected to grow at about 12 per cent this year, the latter having only recently shaken off the effects of recession. Spain and Italy, meanwhile, look set to exceed such levels with impressive growth of between 18 and 20 per ceot. The expansion of Rank Xerox's businesses in Eastern Europe; Russia, Poland, Bulgaria, the Czech Republic, Hungary, Romania

and the Ukraine is even more impressive, with growth for the current year put at between 30 and 50 per cent - in some cases

"in the East European markets, the comobserves Fournier. "Typically, they depend on the activities of independent dealers rather than that of their own organisation and that gives us an advantage". It has also benefited from a brand name synonymous with the process of copying - indeed, competitors have often found their own products labelled "Xerox" - Canon Xerox, Sharp Xerox - in the belief that such is the generic name.

Fournier with two unshakeable beliefs; in the importance of quality (defined as pro-viding both internal and external customers with innovative ways of working) and the overwhelming case for empowerment. The latter, according to Fournier, is one of the key issues facing management - and, once chosen, is by no means an easy route to take.

"It is sometimes more comfortable for managers and employees to live in a nonempowered world. If you are an employee you receive orders, you carry them out and they work. If they don't work it was not your decision - yon're simply an exec-utant. Similarly, for a manager, it avoids discussing, explaining and arguing".

With empowerment, in contrast, a phi-losopby which allows the individual to contribute to the collective effort to his or her fullest ability, that comfort is rudely removed. You have to convince people to manage themselves - that they have to make decisions and will not permanently have someone telling them what to do" Again, he stresses. "It needs work".

In this way Rank Xerox has set up selfmanaged work groups in many of its operations - in services, accountancy and distribution. . It is also currently testing the same principles in its sales operations. Again, Fournier explains the move with

reference to his own experience. "I never pretend to be an expert and be able to answer all questions myself. On the contrary, I always try to build teams with strong people who are closest to the work and who actually know the answers.

"This, of course, is on the clear understanding that the people in these teams do the same as well". Yet if the traditional relationship between Rank Xerox's employees and their managers bas changed, so too has that between Rank Xerox and the Xerox Corporation, its majority shareholder. Traditionally, Rank

All of the above has understandably left. Xerox has followed its parent's lead in most areas - marketing, manufacturing. planning, engineering and design all have their roots in the US. Of late, however, this one-way traffic has started to reverse

> Xerox, for example, has recently adopted Rank Xerox's system of "business excel-lence certification", the means by which it validates its quality processes. Similarly, since February, it has reorganised its operations in Canada and Latin America into smaller CBUs.

> Outsourcing of property and information technology, pioneered by Rank Xerox, has now also been taken up and applied world-wide. And in many of the internal working groups - on the future role of the document, on benchmarking revenue, for example - the lead is taken oo this side of

"By developing a policy of empower ment, of pushing people to initiate and innovate, we are no longer the followers".

Fournier says the upheavals have produced a company that is both adaptive and highly durable

says Fournier, "It has re-eoergised the whole company. People are not afraid to come up with ideas. They know that we'll listen and, if it makes sense, follow them

As to the future. Fournier predicts that the upheavals of the past few years have produced a company that is both adaptive and bighly durable. "I think we now have an organisation that is sufficiently flexible to absorb many things - that can accom-modate the introduction of new document solutions and relate to each of its different business divisions with limited disrup-

### Perfect copies without leaving your desk

On average, users get up from their desk 15 times a day to make photocopies, send faxes or collect information they have printed out, according to resear carried out by Rank Xerox. This could become a thing of the past if they use a combined digital copier, fax and printer for local-area networks (Lana).

This multi-function machine, called the Xerox Document Server, enables PC users to send faxes or produca finished documents to their axact specifications. including (if required) stapling, collating and multiple copies.

The server can also be used to copy paper originals. Alternatively, paper documents can be scanned into the system, digitised and combined with computer-based information to produce a

This is possibla because unlika a traditional (light-lens) copier, where light passes over a paga and produces an analogue copy of it, a digital copier scans the document all in one go and digitises it so that it is stored in the same form as computer-based text.

Multi-functional machine designed to plug into PC

This month, Rank Xerox introduces a combined plain-paper fax, printer and copier for the desk-top. The machine is based on inkjet printing technology and will cost £1,139 plus £149 for a connectivity kit which allows tha product to be linked to a PC.

The 3006, designed to plug into a personal computer, is likely to appeal to the SoHo (Small office-Home office) market where desk space is at a premium - and to executive secretaries wanting to fax or print confidential information without a lot of gadgets cluttering up their

Flat screens with better readability

Xerox's Palo Alto Research Centre (PARC) n California has achieved a breakthrough n flat-screen technology. PARC has demonstrated a 13-inch diagonal flat-panel active-matrix liquid crystal display (AMLCD) with record-setting resolution of almost 300 dots per Inch.

Such resolution makes the display very paper-like, providing superior image quality comparable to laser-printed output." The company has also been awarded a

US government contract of \$50m to establish US-based production for AMLCDs. Announcing the award, the US government said that US-based AMLCD manufacturing capability was critical, not only for America's strategic preparedness (in defence terms), but also for the company's economic well-being.

Desktop laser printer will print complete cheques

Rank Xerox has launched the UK's first desk-top MICR (Magnetic Ink Character Recognition) laser printer - tha Xerox 4197 MICR. This is capable of printing complete cheques (including MiCR security

symbols) and negotiable documents (such as bonds, warrants, stocks and shares). Tha Xerox 4197 is the first desk-top printer to conform to stringent European banking standards and gain APACS approval. It will enable banks, building societies, insurers, government departments and others to print secure documentation on a regional or branch level, at the point of need.

This will help to reduce their exposure to fraud because fewer documents will need to be transported or stored.

Cost of colour printing is coming down

The cost of colour printing is coming down. The prices of Rank Xerox colour and mono laser printers have been reduced by as much as 18 per cent. The price cuts include the Xerox 4500 series of five-, 10- and 20-page-per-minute mono models for the networked office and the Xerox 4900 colour laser printer. Prices for the mono lasers now range from £1,179 to £3,699. The Xerox 4900

colour laser printer is £7,495. The cost of kits to connect these printers to networks has also fallen - by as much as 48 per Colour printing is gaining popularity as companies realise that colour can be used to make their sales literature,

documentation and bills clearer and more

Facilities management

with a difference

CBX, a former division of Rank Xerox, is taking a fresh approach to facilities management. Instead of simply providing ssential services, such as building maintenance, it offers management consultancy in improving the working

Its philosophy is that Improving the quality of the environment can improve productivity. CBX, which still manages Rank Xerox's buildings, has more than 40 specialists who apply new thinking in management and technology to workplace

n its command paper Creating the Superhighways of the Future: Develop-ing Broadband Communications in the UK published last year, the UK government called on industry to embrace the opportunity that digital communications can provide by investing in the development of applications.

Since then, the Department of Trade and Industry has taken a lead role in the devel-opment of a stable regulatory environment and in setting up working groups to assess the potential of digital working in areas such as health and education. More than 30m users now "surf" the

Internet. The world's fledgling information superhighway boasts connections to everything from the White House to the Vatican and at least five Coke machines in US colleges. But the sophistication of business applications is still low.

While the Internet is a great source of information and electronic mail, true applications which will drive productivity improvements in industry are still at the

ek key to

Experiences are rising

er loyalty

In this environment, current networks are keeping up with demand, but when the full efforts of industry and government begin to bear fruit, the exponential growth in demand for data and video communications will ontstrip the technology and infrastructure to provide it. To cope with this scenario, private and

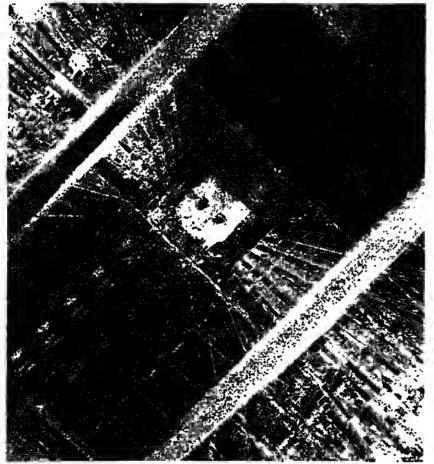
public research organisations, in collaboration with Europe's rapidly liberalising national telecommunications industries, are undertaking wide-ranging projects to huild faster and higher-quality communicstions networks.

An example of this collaborative

research is an experimental network, and associated applications, which has been developed between France Telecom, INRIA (l'Institute Nationale da Recherche en Informatione Automatismes) and Rank Xerox Research Centre. The project is called TransRel ATM.

The project uses the latest network technology, called Asynchronous Transfer Mode (ATM) which is capable of transmitting video, audio and data at high speeds.

# Fast lane of the Superhighway



The ATM network splits data into equal- bandwidth of the network is broader than sized packets and sends them down a systems such as ISDN, giving ATM more capacity to transmit data. Second, the It is significantly faster than existing breaking up of the data flow into data networks for three reasons. First, the packets reduces delays and improves

response times. Finally, it uses asynchronous technology which gathers together the data packages from various sources and, because they are of equal size, optim-

If a large amount of data is transmitted, the source uses more bandwidth: if smaller, then less. This is significantly different to existing technology where the whole bandwidth is dedicated to one par-

ticular transmission, regardless of its size. The effect of this technology is that more effective transmission relieves the need for the whole network bandwidth to he used, easing pressure on network systems, and providing a significant cost advantage over existing technology.

Next international standard

The TransRel ATM network installed by France Telecom has a measured throughout of up to 13Mbits per second, and a theoretical top speed of 25Mbits per second Further development should enable ATM networks in the future to run at more than 155 Mbits a second. This compares to the 128Kbits a second available to ISDN users today. The TransRel ATM project, which was

started in July 1994, has used a network which links INRIA's three sites in France Rocquencourt near Paris, Sophia Antipolis and Grenoble. The network itself is the rationale behind the project, but the three sites have started to develop applications for joint project development, remote expertise and distance learning.

As part of the project, the three loca-tions use the Rank Xerox LiveBoard, a Microsoft Windows-based interactive screen which is the size of a wall-mounted whiteboard, as the main device for voice and video cooferencing, and for data transmission. The speed of the network gives TV-quality, delay-free video performance

design software to the humble word pro-"It will take some time before the ATM

range of applications, from engineering

networks are fully developed and international standards are agreed", comments Monica Beltrametti, director of business relations at Rank Xerox Research Centre, "but the results of our research provide a real glimpse of what will be possible.

"With the business world moving quickly towards a predominantly digital working environment, it is essential that we do not stick our heads in the sand and accept the capacity of existing networks. Only by active research into new technologies and development of collaborative projects such as TransRel ATM will we be able to conceptualise the applications of

Beltrametti is confident that ATM will become the next international standard for networking. "We belong to the ATM Forum which consists of around 400 of the world's leading computing and telecommunications companies. Through the forum, research results are shared and consensus is reached.

"We are particularly interested in the opportunity for enhanced applications that a high quality, high-speed network could hring to Rank Xerox customers.

With innovative network-based digital document products and services now available from Rank Xerox, and further significant developments coming to market in the next two years, the pressure Is on to provide added value to our custom-

ers," says Beltrametti.
"Working on projects such as TransRel ATM with innovation partners such as INRIA and France Telecom, gives us some road signs on how best to use the information superhighway to belp customers to improve productivity and develop more effective ways of working".

## WASTE NOT, WANT NOT

turning it into valuable assets is not so much one of technology, but whether we have the will to change outdated perceptions," says Hugh Smith, Rank Xerox environment manager.

Legislators, pressure groups, shareholders, customers, the media and the community at large all have their part to play. Howevar, according to Hugh Smith, husinesses prepared to seize the initiative will achieve progress more rapidly and will secure long-term viability, with future generations being the ultimate winners.

Long before it became a legal requirement, or just fashionable, to introduce and implement environmental policies, Rank Xerox recognised that care for the environment actually made good business

Back in the 1960s, when concern for the environment extended as far as flower power, Rank Xerox already had in place a recovery and recycling programme for environmentally sensitive components: the decision to provide copiers on a rental basis only meant that the company retained ownership of its products and ensured there was a returns process to recover the equipment when the customer

up-graded.
"By the late 1980s, we were beginning to come under pressure from employees and customers to stop discarding what appeared to them to be valuable assets,"

says Smith.
"Land-fill costs were increasing and the unstoppable tide of public opinion and legislation was clearly rising. The vision was a closed loop process for

the Rank Xerox product lifecycle and the

marketing, sales, service, logistics and

turn chain - and ultimately improve the company's return on assets.

In an unprecedented move within its industry, the Rank Xerox remanufacturing strategy was born. A multi-million-dollar investment at its manufacturing sites at Mitcheldean in the UK, Venray in the Netherlands, and Lille in France, transformed the way the company manufactured and delivered its produc

At each of the three plants, Rank Xerox dismantles equipment and reprocesses reusable components. Plastics, metals paper and other materials are separated and recycled through industry-wide processes. About 45 per cent of end-of-life machines are currently being returned to

The reclaimed toner is recycled and used as fuel in cement kilns, and as pigment to colour road surfaces and shoe polish

the plants for recovery. Even competitors' machines, when replaced by Xerox, are taken back as part of the contract, dismantled and recycled.

Many uses hava been found for reclaimed toner, such as pigment to colour road surfaces, black plastic bags and shoe polish, although much of it is used as fuel

in cement kilns. As more customers join support for the process, the percentage of machines recovered is likely to increase. At Venray alone. more than 750 tonnes of plastic are recycled each year and the site currently recycles 75 per cent of its own waste at a saving of \$1.2m a year.

As well as reprocessing machine parts at its' manufacturing sites, Rank Xerox remanufactures machines. assembly of remanufactured prod-

ucts takes place on the same production lines as those of newly-manufactured products. In 1994, when more than one million machine parts were reprocessed by Rank Xerox, the increase in asset utilisation resulting from the remanufacturing strategy led to a reduction in purchase of raw materials in excess of \$50m.

With the award of ISO 9002 to the Venray asset recovery operation, and the "no-quihble" three-year Total Satisfaction Guarantee which applies to both newlybuilt and remanufactured products, Hugh Smith is quick to point out that concern for the environment is not at the expense

"Our asset recovery operation is living proof that there is no contradiction between the environment and product performance," he comments, "We have established that technologies exist to make the environment affordable."

-While its asset recovery operation continues to gain momentum - and attract interest from the manufacturing industry -Rank Xerox remains wholly committed to environmental protection and the philosophy of sustainable development. During the past 30 years, the company

has recorded a catalogue of achievements

in making every aspect of its operations than C2m since it was introduced. environmentally friendly. Its "3-R" policy, to reduce, re-use and recycle, touches every part of the organisation.



Environment: more about changing perceptions than technology

Examples include a returnable pallet agement products and services, businesse scheme which conserves timber resources; this represents an annual saving of £150,000; an energy management programme at the Mitcheldean site which reduced energy levels by 62 per cent; and the use of Corrupad as a packaging material which has saved the company more

Because it is likely that environmental considerations will increasingly influence purchasing decisions for document man-

who market products under a green labe must do so at more than just a superficial

Hugh Smith says: "Environmental concern is not a marketing ruse. It's a philoso-phy. The next genaration will be even more environmentally conscious than we are and will demand a responsible attitude towards the environment; not only in the products that they buy, but also from the manufacturers who supply them".

erz and McLellan, one of the leading consulting engineers in L Britain, has to deal with stiff competition throughout the world for engineering contracts.

The chance to tender for new business comes from a combination of identifying and qualifying the opportunities, together with a long-established reputation for the quality of their work.

Founded almost 100 years ago with headquarters in Newcastla upon Tyne, Merz and McLellan has five regional offices in the UK and is represented in more than 30 countries worldwide. The company has always preached the ethic of quality and this is not only reflected in the way they handle clients' contracts, but in the way they present their capabilities and professional expertise using state-of-theart document presentation techniques.

The latest acquisition is a Xerox MajestiK digital colour copier. The difference between tender documents and publicity material of the past, which were text-only. to those produced today, which include photographs of client sites in full colour, is significant

Of course, these are no ordinary sites. Specialising in the power industry, many are in exotic locations with visually exciting backdrops of clear blue skies, palm trees and wonderful sunsets. But there is no doubt, as a news update on recent projects proves, that adding colour brings what could be an otherwise dull subject to

# Colour brings projects to life

Merz and McLellan are currently working for government departments as well as large industrial and commercial organisations in more than 40 countries. Among prestigious projects recently awarded to them are a £1.5m quality assurance service contract for Hong Kong's first natural gasfired power plant: a £1.1m three-year contract for work on two new gas turbine power stations in Syria, and a seven-year contract worth £17.5m in fees for Kuwait's Ministry of Electricity and Water.

Work is also underway on a four-year contract with London Underground to provide quality assurance and audit services for the infrastructure and rolling stock required for the 10-mile Jubilee Line exten-

Over the past years, it has been the responsibility of Maureen Horsburgh, as manager of office services, to ensure that the engineers can rely on high quality support services and that includes repro-

graphics equipment Rank Xerox has been the preferred supplier for at least 25 years and the machines installed include high-volume copiers in the central print area, mid-volume copiers in remote sites and low-volume copiers located throughout the head office building for general day-to-day copying.



Colour: bringing dull subjects to life

But pride of place at the moment is clearly given to MajestiK because it is the machine which enables Merz and McLellan to keep one step ahead of its competitors when it comes to client documenta-

Maureen explains: "Documents consist of a variety of shapes, sizes and materials, so machine versatility was the key. But it was the colour quality that really made the Xerox machine stand out from the

"We had thought of purchasing a colour copier some time ago, but found we were through the machine, from simple A4 or not really quite ready for it. But about a A3 sheets to folded plans, coloured dia-

year ago, we thought the time was right if we were going to stay ahead of our competitors. We always needed colour to nhance our documents; but had used outside contractors until then. We felt having a colour facility in-house would allow colour to play a much bigger role in our documents.

When the Majestik was first installed its use was fairly limited for the first few weeks. However, once the use of colour began to increase and the engineers realised you can put a variety of documents

grams and colour photographs, its use has

ments without some form of colour on the front or inside to make an impact. When you are producing documents that could be anything up to two laches thick, you their service the most reliable." don't want to bore everyone. Colour retains their interest."

The investment is obviously proving to be a good one: "It is saving us both time" and money. We are not spending so much. money with outside printers and we can turn work around much more quickly. In the past, we sometimes tended to be put off incorporating colour because of the time element. If you want a documentproduced, you want it out of the door quickly. You don't have time to run along

to the local copy shop." One of the main benefits is that colour output from the CAD machine can be taken straight to the central print room and copies run off the Majestik. The throughput represents quite a heavy work-load, but the reliability of the machine means that downtime is kept to an absointe minimum.

As a manager in charge of support services, Maureen Horsburgh nevertheless has to be realistic. As with any machinery, ing day."

the copiers do need regular maintenance to prevent breakdowns bringing the whole document production process to a halt. A reliable service operation is crucial: "I

of states of the state of the s

17.00

grante in the

----

A CONTRACTOR OF THE PARTY OF TH

ANCE

- - - median

4.4

\*\*\* **公本节集** 177 . P. 3

---

~ 35

-

---

---

ĕ0cia l

2026L2

have been here 25 years and we have always used Xerox equipment. Problems will occur from time to time, and this can cause serious problems since we now take "Now, we rarely send out any docu- in-house colour for granted. So you need to know that Rank Xerox are going to provide us with a quick and efficient service. We have found their machines and

Maurean is particularly impressed with the contract terms: "When you enter into an agreement on a contractual basis, you sign for the terms you think you will require. But it is not cast in stone. We can always change or up-grade our equipment whenever we need to. In fact, we have

done just that "When new models have been introduced, we have sometimes decided wa would benefit from the more advanced

fechnology."

Asked to encapsulate the relationship between Merz and McLellan and Rank Xerox as its preferred supplier of reprographics equipment, Maureen Horsburgh has no besitation in saying: "We trust Rank Xerox and they provide us with high quality equipment and support. But if for any reason there is a problem, they will make sure it is sorted out as quickly as possible. We depend on this level of response. It takes the heat out of the work-

here are plenty of reasons for not investing in Russia. They include the fragility of its economy, political uncertainty, weak banking and legal systems and the practical problems of conducting business in a country that spans 11 time zones and covers 17m square kilo-

Beyond these immediate difficulties. however, is the foundation of a real market economy of 149m new consumers. There are already a million new small businesses in Russia. Private companies now employ more than 70 per cent of Russian industrial workers. Forty million Rus-

sians own shares. In 1989, Rank Xerox (which in Russia trades as Xerox) was one of the first Western companies to identify and invest in the potential of the Russian market. As a result, Xerox is today the dominant supplier of office equipment in Russia and the

Xerox had been in Russia, operating through a foreign trade organisation, since 1956, but the post-1989 economic reforms required a whole new approach. The key to operating in Russia is the right organisation and infrastructure. For Xerox, this meant not just a head office in Moscow but a regional office network to cover this vast country.

Today, Xerox has offices in Novosibirsk. centre of the high-tech industries of

### **REAPING REWARDS IN RUSSIA**

Siberia; Ekaterinburg, to service the heavy industries of the Urals, Vladivostok in Far Eastern Russia and St Petersburg in Western European Russia.

In addition, Xerox set up in the oil and gas belt of the central Asian republics with offices in Tashkent in Uzbekistan and Almaty in Kazakhstan. And in 1991, Xerox purchased all remaining shares in its joint venture service organisation in Moscow,

making this a wholly-owned company. Nationwide dealer network In a country so big, it would be impossi-

ble to sell directly to every customer; the

only way to cover the market is through a

nationwide network of dealers, qualified to

sell and support Xerox products. Building this network required an extensive set of support services. For example, dealers needed training not only in Xerox products and how to service them, but in fundamental business skills such as planning and forecasting, financial management, marketing and customer-handling

techniques. Xerox also set up bonded warehouses across the country to shorten the supply chain - a real innovation at that time. Dealers were supplied with point-of-sale material and promotional packages to brand themselves as Xerox.

Today, there are more than 250 authorised dealers across the country, together employing some 5,000 people.

Bob Agee, country manager for Xerox in Russia, comments: "Indirectly, we are helping to create local employment and build the small business sector of the Russian economy. At the same time, through our dealer training programmes, we are effecting a true transfer of business skills to these new enterprises."

The biggest investment Xerox has made in Russia is in the recruitment and training of local people. Like many incoming companies, Xerox found an extraordinary pool of talent in Russia - a highly numerate people with proven talent in languages, engineering and computing. However, local people with commercial management experience were rare.

To meet the need for training, Xerox set

up its own training school in Moscow, The curriculum included training in Xerox quality management, products and services as well as core management and

financial skills. Today, this training school also delivers multilingual trition to Xerox employees and dealers from across central

and eastern Europe. Because of its long trading association with the Soviet Union, the Xerox brand was relatively well known in Russia. However, in order to secure its position as market leader, Xerox was translated and registered as a trademark in the Cyrillic alphabet - an essential step for any company trading outside the main cities in Russia. Any visitor to Moscow will surely notice a prominent rotating poster site next to the main entrance to the Kremlin

- advertising the Xerox brand. Despite a limited installed base during the communist years, Xerox has an outstanding reputation for reliability with Russian customers. How? Because when office equipment was in restricted supply, reliability - and maintainability - was critical. The ultimate example is perhaps at the huge Kamaz truck plant - one of the largest factories in the world - where a Xerox 914, first introduced in 1959, is still in operation.

Today's Russian customer is just as demanding, if not more so, as the average

European or American business buyer. The new Russian business has no legacy of installed office equipment and wants to

go straight to the newest technologies For example, in 1993 Xerox launched the DocuTech and DocuPrint high-volume printing and publishing systems, costing about £250,000 each. Xerox Russia has had a steady stream of orders from institu tional and commercial customers for this advanced document technology.

Russian investment pays off Russia is now one of the biggest and fastest-growing markets for personal copi-

ers in the world, matching the growth of the small business sector. Xerox is also launching its desktop laser printers into Russia, through a new net-

work of specialist PC dealers. An important new initiative is to expand, through Russian franchisees, the Xerox Copy Centre Programme, The immediate target is to set up at least 50 new copy centres by the end of 1995. However, as Bob Agee points out: "This

is just scratching the surface. To get an

think of the number of copy centres you would find in the average European town and add to this the huge pent-up demand in Russia for document technology".

Xerux expects to see 5,000 Xerux Copy

Centres operational across Russia by the end of the century.

The Xerox investment in Russia is paying off. In the past four years, Xerox reve-

nues in Russia have increased sevenfold - and at time when Russian gross domes. tic product has declined. Reliable market information in Russia is

still hard to come by, but Xerox estimates that its share of the copier market is probably around 40 per cent, varying from region to region. It is certainly the market Bob Agee remains confident about future prospects: "I believe the Russian

economy has essentially passed through the worst and would expect to see growth in 1996-97. "When this occurs, we will experience even more demand for document products

and services.
"Thanks to early investment, we now have a very significant organisation and infrastructure in Russia. That, combined with the strength of the Xerox brand name and our continued commitment to training, will provide the basis for maintaining our number one position in this exciting idea of the potential for this market, just market." The state of the s

THE \\how to get great colour without suffering pain, anguish or poverty Company



photo labs. The Majestik series offers paralleled colour reproduction, highlight and anyone who lays a finger on its touch sensitive icons into a colour genius.

Call us on 0800 787 787 for further information

THE DOCUMENT COMPANY **PANK XERGX** 

حكذا من الاحلّ

### Satellite TV row reveals Canada's dilemma

The Bar

- -

.

By Bernard Simon in Toronto

The future role of Canada's telecommunications and broadcast regulator is likely to come under increasing scrutiny in the wake of a landmark deci-sion by the federal government to encourage competition in satellite television services.

The government on Wednesday overruled a decision by the Canadian Radio-television and Telecommunications Commission (CRTC) to grant a satellite television monopoly to Expressvu, whose shareholders include BCE, the Montrealbased group which is already the dominant force in domestic telecommunications.

The new policy opens the way for a competitive service operated by Power DirecTV, a joint venture between Power Corp, the Montreal-based conglomerate, and Hughes, the US electronics group.

Canada currently has one of the world's highest penetra-tions of cable television. But the satellite-to-home operators are expected to offer stiff competition with services which provide up to 100 television channels through a pizza-sized satellite dish.

The satellite television decision is the latest in a series of clashes between the government and the CRTC over bow to adapt to rapid changes in technology and regulation. Earlier this year, Ottawa overruled several recommendations hy the CRTC to redress the present imbalance between telephone rates.

The tension stems partly from the growing influence of Mr John Manley, the industry minister. But Mr Manley's interest has gone little further than prising open markets to greater competition. An official at one company closely involved with the CRTC said yesterday that the commission bas tried to develop policy on the run" without any clear direction from tha govern-

Most players recognise that the barriers between entertainment, broadcasting and telecommunications are crumbconcern that Canadian suppliers will wilt under any assault by powerful US media and telecommunications companies, many of which are seeking entry to the hitherto-protected Canadian market,

The satellite television controversy has been heightened hy the fact that Power DirecTV's parent company has close links to the ruling Liberal party. The president of Power Broadcasting is the son-in-law of Mr Jean Chrétien, the prime minister. Mr Chrè-tien insisted that he played no part in cabinet discussions on the issue.

#### Financial Managers career development

FUTURE career opportunities for financial sector managers newadays depend more and more on the right

An MBA degree specially designed by recognised international institutious for professionals in financial services can opeo oew ioors on the career developmen

That is why the world famous highly respected School of Accounting, Banking and Economies at the University of Wales, Bangor have designed mique distance learning MBA with financial services emphasis. The management education programme is now proving so successful that over 800 students have enrolled worldwide since it was launched i

The MBA has a high level of contact with Faculty, maintained through residential workshops run in the UK and at overacas support ecutres Workshops are designed to provide high quality contact and interaction. A major advantage for qualified accountants is provided by an exemption-based 18-month accelerated programme which eliminates the need to repeat corr

mbiect material. The MBA's modular structure also links with advanced management shucation and corporate training arogrammes by offering exemp based entry routes. The program is one of the two distance lear MBA's in the CIB Lombard Scheme and has a major sponsorship link with Euromonny. Brochare from: Institute for Financial Management. University of Wales, Bangot, Gwynedd, UK IL57 2DG. Tel: (44) 01248 371408 Fax: (44) 01248



### US budget proposals Lake fires hit by more delays

By George Graham in Washington

Congress has already missed the legal deadline for passing its hudget plan hy two weeks, hut more delays appear to be in store as the Republican majority wrestles over the harsh spending cuts that will be needed to move towards a balanced hudget. Senator Pete Domenici, the

chairman of the Senate hudget committee, had to postpone for 10 days a meeting scheduled for yesterday to start discussing a budget resolution, which sets the outlines of spending for the fiscal years starting on October 1. US law requires that resolution to he passed by April 15. Although the Senate earlier

this year defeated a proposed constitutional amendment that would have required the government to balance its hudget, the target set in that amendment of eliminating the federal deficit hy 2002 has now become a central element in the hudget

In the House of Representatives, Speaker Newt Gingrich has said that only hudget resolutions which spell out a path to halance in 2002 will be allowed to reach the House Route floor for consideration, Mr

paper currently on the market. One US made on the basis of loans already

tranche.

Argentina to receive \$1bn from bond

banker said that those institutions sub-

scribing "were making a political state-

ment in support of Argentina rather

The \$1bn will go towards the estab-lishment of a fund aimed at recapitalis-

ing and restructuring the private bank-

ing sector, which has been hit hard hy a

credit squeeze since Mexico's devalua-

tion in December, Eight banks suffering

from severe liquidity problems have

already been suspended while many

Officials at the economy ministry said

they were hopeful that the Basle-based

Bank of International Settlements

would as early as next week approve a \$1bn hridging loan for Argentina.

The bridging facility, which would be

banks have merged.

than a purely commercial operation".

Domenici's plan, too, aims to eliminate the deficit hy then. Some of the more radical first-term memhers of Congress, meanwhile, aim to propose a plan that would halance the hudget in just four years and start paying down the national debt from the year 2000. According to one congres-

sional staffer, they do not par-ticularly expect their plan to win, but want "to set a right marker" to ensure that the 2002 target does not end up being bargained away in a budget compromise. The mathematics of reaching halance hy 2002 are hard enough. If no changes are

made, the cumulative hudget

deficit between now and then

is expected by the Congressio-nal Budget Office (CBO) to total \$1.900bn. Many Republicans want to set the bar even higher by cutting taxes; the tax cuts hill passed last month by the House would widen the deficit hy an estimated \$350bn

between 1996 and 2002. Discretionary spending, for which Congress must appropriate specific sums year by year, totals \$533hn this year almost half of it on defence. This includes items such as foreign aid and transport subsidies, which are popular targets resolution.

first vote.

agreed with the World Bank and Inter-

American Development Bank, would be

used to help privatise state-owned

banks. Money from the World Bank and

IADB will not arrive before June, and is

unlikely to be disbursed in a single

Mr José Octavio Bordón, presidential

candidate for Argentina's centre-left

Frepaso coalition, yesterday moved to

increase pressure on President Carlos

Menem by demanding adjustments to

the timetable for presidential elections, the first round of which will be held on

Mr Bordon, who according to opinion

polls is Mr Menem's closest challenger for the presidency, asked tha president

to bring forward the date of the second-

for budget cutters. But a report submitted this week to the Senate hudget committee by the Senate appropriations com mittee, which has jurisdiction over these spending programmes, warned that ev freeze on costs would bave

It might, the appropriations committee said, increase the backlog of cases in federal courts and lead to more charges being dismissed. It might also force the Veterans Administration to close at least 30 hospitals.

The politics of cutting mandatory spending are even more difficult.

Mandatory spending covers a variety of benefit programmes to which people are entitled if they fit certain criteria, including the widely popular Social Security pensions and Medicare health insurance for the elderly, as well as means-tested social welfare.

Entitlement spending is not subject to annual appropriations of money by Congress, hut grows each year in line with inflation and the growth in the qualified population.

But Mr Domenici plans to include enforceable cash limits on entitlements in his hudget

Most polls have shown Mr Menem

margin over the second-placed candi-

trafficking.
The new isolationists, he

no boundaries". "These self-proclaimed devo-Successful placement clears way for funds to recapitalise and reform banking sector

aid to struggling democracies," he said, "They laud American leadership, hut oppose American leadership of coalitions, advocating only unilateral action instead." The speech was carefully

uon-partisan. Mr Lake eveu round between the top two candidates quoted Mr Newt Gingrich, the to no more than 14 days of the first Republican House speaker. election. The second round is scheduled who himself recently warned for June 6, nearly a month after the that an American retreat could result in "a dark bloody winning outright victory on May 14, Mr Lake noted the unpopu-

though many have Mr Bordon within a few percentage points of forcing a runoff. In order to win outright, Mr Menem needs to poll 45 per cent of the vote or more than 40 per cent with a 10-point Mr Bordón's tactics appear aimed pri-

marily at planting in the public's mind the possibility of his gaining enough votes for a run-off election. Until recently, at least, most people bad assumed an easy victory for Mr Menem. sary resources far better than

# broadside at isolationists

By Nancy Dunne in Washington

Mr Anthony Lake, US national security adviser, yesterday launched a hroadside against new isolationists from both the left and right" who propose unilaterally to disarm the US of the programmes it has used to maintain world leadership in the past 50 years.

In uncharacteristically tough language for the Clinton White House, Mr Lake warned that US policies of engagement in world affairs are "under siege and American leadership is in peril."

He warned specifically of threats to US foreign aid programmes, participation in peacekeeping, and the battles against terrorism and drug

said, helieve the US can cut itself off from danger "even though some of the new threats facing us, like nuclear proliferation, terrorism, rapid population growth, and environmental degradation know

tees of democracy would deny

larity of foreign aid among US voters - until it was pointed out to them how small a proportion of the hudget foreign policy programmes comprised. The \$21bn spent on foreign policy out of a \$1,600bu hudget is "not the budget-huster that

neo-isolationists pretend". "They would also be surprised to learn that others recognise the reality of neces-



Lake: tongh words

we," he said. "The richest most powerful nation on Earth dead last among 25 industrialised nations in the percentage of GNP devoted to aid."

Because of hudget cuts in the past few years the US has not even been able to make "modest contributions" to programmes that need US support. It has not found "the small sum needed" to support peacekeepers in Liberia or the funds to pay UN human rights monitors in Rwanda. It can harely meet its obligations towards maintaining sanctions against Serbia,

He warned that a neo-isola tionist budget could undercut US efforts to support democracy in Russia and its former satellites, even the funding to reduce nuclear arsenals in the former Soviet Union. It could undercut US employment of thousands of weapons sclentists in the former Soviet Union on civilian research projects, which "helps keep them off the nuclear labour market". He said the "backdoor isola tionists" who want to cut off support to the multinationial development banks "cannot

own eyeshades". "This is no way to follow the heroic achievements of the Cold War," be said. "And I can't imagina that this fits any American's vision of world

see beyond the green of their

AMERICAN NEWS DIGEST

financial programme".

By David Pilling in Buenos Aires

Argentina will receive \$1bn on May 3

after the successful international place-ment of a "patriotic" bond, final docu-

ments for which were signed yesterday

In a letter to Mr Domingo Cavallo,

Argentina's economy minister, Mr Wil-

liam Rhodes, vice-president of Citibank, said he trusted that "the prompt and

opportune reply of the International

financial community that participated in the operation will contribute to the

continuity of Argentina's economic and

The bond, which carries a coupon of 3

percentage points over Libor, was sold to US and European banks at a consid-

erably lower rate than Argentine debt

with Citibank, the global co-ordinator.

### Venezuelan law on forex control

A joint session of the Venezuelan Congress has approved a strict new law giving the executive branch unprecedented powers governing foreign exchange transactions.

The law allows the president to order the establishment of foreign exchange controls and any other associated regulations without the consent of the central bank. Previously, any big decisions concerning forex activities were

agreed upon jointly by the central bank and the executive. The new law also establishes harsh penalties for violations of forex regulations, including jail terms. The government of President Rafael Caldera ordered controls on all forex activities in June of last year.

Tha foreign exchange law is part of a package of four bills which were introduced into Congress by the Caldera dministration last year. Three measures, covering insurance reform, consumer

protection and foreign exchange controls, have already been approved, but a bill dealing with "emergency situations" in the financial system is still in committee. The government has said that several constitutional rights

covering civil and economic affairs that were suspended last year will not be restored until the four laws are approved. In essence, these laws greatly increase the power of Venezuela's presidency in their respective areas. Joseph Mann, Caracas.

#### UPS files first Nafta complaint A complaint by United Parcel Service that Mexico has failed to

accord the US company equal treatment has become the first US trade case submitted to the formal dispute settlement mechanism of the North American Free Trade Agreement. UPS says that under Nafta, US express delivery companies

were promised the right to use larger vehicles to move packages. Its officials say that Mexico has not only falled to live up to this commitment but it has attempted over the past year further to limit competition.

US companies are faced with pending regulations requiring them to divest services they were able to offer before Nafta. Widespread exemptions have been offered to Mexican carriers, UPS said. Nancy Dunne, Washington.

#### Cuba optimistic on tourism Cuba, counting on tourism as a main future source of foreign exchange, expects tha number of visitors it receives to treble by the year 2000, officials say.

The deputy tourism minister, Mr Eduardo Rodriguez de la Vega, said the figure could surge from an expected \$10,000 visitors this year to 2.5m within five years. He spoke to foreign diplomats and journalists during a trip on Wednesday to the newly developing tourist area of Cayo Coco, a small island off the north-central province of Ciego de Avila that is part of the government's development plan for tourism.

The communist-ruled island, hard pressed for foreign exchange, last year received 620,000 visitors, a 14 per cent increase over 1993. The increase was less than the authorities had hoped for following the crisis last August and September, when some 35,000 Cubans set out to sea in rafts towards Florida. Reuter, Havana.

#### Andean pact to issue passport The Andean Pact will introduce a type of regional passport for

the citizens of member countries by the end of this year. The "Andean Migration Card" is to facilitate the free flow of people between Venezuela, Colombia, Ecuador, Peru and Bolivia. It will unify the diverse formats of each country's own identity card. The measure was adopted earlier this month by the Committee of Andean Authorities on Migration. Raymond Colitt, Quito.

### Mexico acts on welfare crisis

By Lestie Crawford in Mexico City

Mexico's government, uninns and employers will begin talks soon aimed at tackling a looming crisis in the state-run health and social security sys-

However, President Ernesto Zedillo's government has no plans to privatise the system, despite increasing difficulties In providing adequate health-care or pensions to its 9m affillates and their dependants, Mr Santiago Onate, the labour minister, said.

The problems of the social security justitute, IMSS,

• The heavy burden of contributions, which adds 38.5 per cent to a company's wage hill, and deducts 32 per cent from an employee's salary. The govarnment's share is 29.5 per cent of a company's wage bill. Mr Onate admits these heavy non-wage costs are a significant deterrent to new investments, and joh creation in

 Mexico's population is ageing, and the number of pen-sioners will grow at more than twice the rate of young people entering the workforce.

• More than half of Mexico's

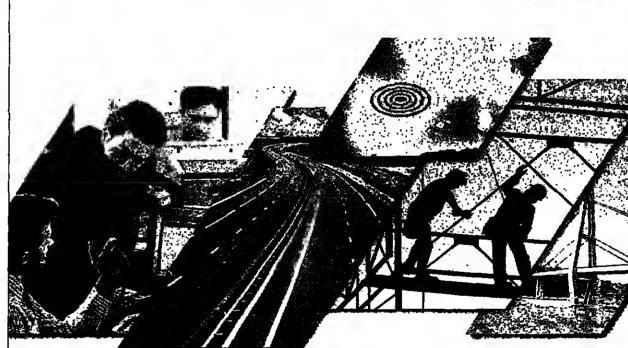
population, namely peasants. domestic workers and the self-employed, are not covered hy the social security system. • The IMSS hureancracy employs 340,000 people with a 46bn peso (\$7.6bn) budget that dwarfs that of the state nil monopoly Pemex, but its servicas have lagged hebind growing deman

Mr Onate said the immediate challenge was how to extend coverage to a greater percentage of Mexico's 90m inhabitants without increa the burden of contributions on companies or employees.

The privatisating of the social security system was not under discussion, he said. Critics have suggested Mexico should privatise its pension funds along the lines adopted by Chile in 1980, which contributed to the rapid growth of domestic savings and the development of Chile's capital markets. Mexico's low rate of domestic savings is regarded by many as being the Achilles' heel of the economy.



### La Rioja is an intelligent European industrial location strategy today.



If you compare the pros and cons of setting up or expanding your industry in any European Union region, you will find that La Rioja offers benefits alone:

• Easy management, being a small Autonomous Community. · Social stability. · Qualified, responsible, productive business and labour culture. • Sector balance. • Quality of life. Modern infrastructures and energy supply. •Technological

support. • Water resources in a healthy environment. • Grants for innovative projects. • Privileged site along one of the development axes with most future in Europe. Invest in La Rioja. It holds more for you.



c/ Villamediana, 17, 26071 Logrono (Spain) ...tel ...34 41 29 12 50 Fax 34 41 29 12 01

Papers bought with lottery money 'did not already belong to nation'

PM defends Churchill purchase

Insurance Correspondent

Lloyd's of London is preparing to reorganise the finances of its US business after pressure from insurance regulators. But Lloyd's is still trying to soften the impact of some of the changes heing imposed because it fears they could hring competitive disadvantages. If a disputs with the Nsw York Insurance Department about the contents of a report on Lioyd's US operations is not resolved soon, it could lead to damaging public hearings and even restrictions on Lloyd's husiness in the US. The report is about that business.

Under the reorganisation, Lloyd's would split its Ameri-

can trust funds, which were set

up in 1939 to protect US policy-holders if Germany invaded Britain. Separate funds would be established to support reinsurance business and "surplus lines" business hy which Lloyd's provides cover where

Other non-US but dollardenominated business would no longer use trust funds held

The aim would be to give US regulators a clearer idea the ability of Lloyd's to meet claims on policies sold in the US. But Lloyd's fears that proposed rules for operation of the funds would disadvantage it against conventional insurers who do not rely on thousands of individual sole traders for

An alternative being actively considered is setting up new limited liability companies ded-

Lloyd's signalled that it would seek to head off a confrontation with the New York regulators. An official said: What we are absolutely commited to is a continuation of our business in the US."

Details of Lloyd's US plans emerged as a warning was given that cashflow problems could force the insurance market into raising £600m (\$972m) from a levy on Names who are still underwriting - and possibly also a loan from the Bank of England. Names are individtionally supported Lloyd's. Chatset, the Lloyd's analyst in London, released a report predicting that cash calls on legal action. Names would total £1.5bn this year. But difficulties in collecting the money would force

Lloyd's into finding alternative sources of finance, it said. Its claims were swiftly rebutted by Mr David Rowland, Lloyd's chairman. He said: "Lloyd'a is not in discussion with the Bank of England about any 'rescue package', nor do I foresee the need for any such talks." A spokesman added there were no plans for

announced a tougher approach towards collection money from Names, including the threat of

Chatset expects Lloyd's to amounce a total loss of about £1.5bm for the 1992 account. details of which will be published next month under the market's three-year accounting system. Some £1.2bn of the loss is accounted for by losses on previous year's accounts which were not closed. Chatset said that the flood of US "latent liability" claims - largely caused by asbestosis and pollution -"is not drying up".

Politicians from all the main

parties yesterday expressed concern at the decision to use lottery money to buy the papers for the nation, amid signs that most of the funds

would go to Mr Winston Chur-

chill, the former prime minis-ter's grandson who is now a

Conservative MP. Sir Winston, who died in 1965, was Conser-

vative prime minister from

1940 to 1945, and the archive includes original copies of some of his most famous

speeches as well as a school

report of 1884 which said he was "a constant trouble to

everybody and always in some

Mr Paddy Ashdown, leader of the Liberal Democrat party,

asked whether Sir Winston

public money was being spent

on his state papers while

investment in children and

education was being "cut to

heritage secretary, was one of a number of Conservative MPs

worried about the decision. He

"A lot of people will feel lottery money should not go to the Churchill family and will regret that these archives were

not made available to the

nation in the way that previ-

said in a television interview;

Mr David Mellor, the former

scrape or other".

### Nadir regains control of part of his empire

part of his collapsed business empire in northern Cyprus a month after the assets were sold by administrators to a little known local businessman. Officials on the island confirmed yesterday that Mr Elmas Guzelyurtlu, a former foreign exchange dealer, had signed over the shares in some Polly Peck International companies for \$8m to Mr Nadir and Ms Sadika Atalay, a Cypriot businesswoman and former owner of

a hotel on the Turkish mainland. a notes on the Turkish manuald.

In March, Mr Guzelyurth paid administrators an undiscussed sum for the companies, ending a four year struggle to realise assets for creditors. The companies involved own the two lineary hotels in northern Cyprus — the Jasmine Court and the Palm Beach - as well as Sunzest, a fruit processing company, and a cardboard box maker. Mr Nadir and Ms Atalay were registered this week as the new directors of Learned Limited, which owns the assets. Mr Chris Barlow, lead administrator with Coopers & Lybrand, said: "It is not our concern who becomes a director of a company which has bought assets of PPI. Mr. Nadir fied to Cyprus in 1993 after jumping ball in the UK where he faces charges of their and false accounting relating to his running of PPI. Jim Kelly, Accountancy Correspondent

#### Telecoms company slammed

Mr Duncan Lewis, chief executive of Mercury Communica tions, the relecommunications company, has warned semior colleagues that the group's turnround is being jeopardised by a failure to focus adequately on customer service. Mr Lewis complained in a note to Mercury's directors on March 10 that quality of service to customers was slipping and that business standards were being compromised as the company coped with reorganisation and job losses. The company, British Telecommunication's chief rival in the UK, has been suffering from intensifying competition and narrowing profit margins.

Alan Cane, Industrial Staff

#### MPs hope to foil Murdoch

Three backbench MPs in the governing Conservative party yesterday launched a powerful attack on the bidding rules for reserval auricine a powerful attack on the bloomy rules for the proposed new Channel 5 television network. They said the rules could allow Mr Rupert Murdoch to expand his already powerful position in the UK media. Their attack came amid growing speculation that a consortium including Mr Murdoch is emerging as favourite to win the licence.

The three MPs referred to the "undesirability" that British Sky Broadcasting – of which Mr Murdoch owns a 40 per cent stake - might have any management involvement in the new terrestrial network. BSkyB is the satellite television network in which Mr Murdoch's News Corporation holds the largest stake. Pearson, owner of the Financial Times is also a stake-holder. James Blitz and Raymond Smildy.

#### Newspapers' future 'gloomy'

Annual sales (bri copies) .

7. In spite of a 2 per cent increase in the volume of newspapers sales last year there is no evidence that the long-term decline has been reversed, says Mintel, the market research group. Mintel argues that consumer expendi-ture on national newspapers has fallen in real terms since 1989 and continued to decline last year. The group says the market at current prices was valued at £2.9bn (\$4.7bn) in 1994 and that in real terms the market has declined by 10 pe 1989 90 . 91 . 92 . 83 . 94 . cent since 1989. All sections of

Source Advertising Association/Minist the national newspaper mar-ket saw declines in the 1990-93 lect saw declines in the 1990-93 period, with the tabloids faring worst. "The future for the industry is of a continued but slow fall in volume sales once the current price war ends. The duration of the price war is also crucial to publishers' profitability and there are doubts surrounding the future of some titles." Mintel says. Only 6 per cent of respondents said a reduced cover price was a factor when buying a newspaper. Raymond Snoddy

#### Relaunch by developer

Shirayama Shokusan, the Japanese property company relaunched its development plans for County Hall on the south bank of the River Thames opposite the Houses of Parliament. County Hall used to be the headquarters of the Greater London Council, the giant municipal authority abolished by the Thatcher government in 1986. The revised proposals include a smaller hotel alongside one of Europe's largest aquariums and an "interactive natural life theatre." The development would cost about £75m (\$121m) over the next three to five years, said Shirayama,

Andrew Taylor, Construction Correspondent

lunters demand payout: Deerhunters are demanding £4,000 (\$6,480) to pay for stress counselling they received during their court hattle against an attempt to ban bunting on the Quantook Hills in south-west England. The money is part of a £240.000 bill sent to Somerset County Council. Major Denys White, a bunt official, said: "It was a two-year battle against the council; we were all under considerable pressure and we needed that help." Mr Chris Clarke, council leader, said These people are treating taxpayers with total contempt."

Policeman to appeal: A police marksman convicted of hitting a youth who threatened to throw his baby from a train is to appeal against demotion. Constable Richard King had his licence to shoot revoked after senior officers decided he lacked licence to shoot revoked after senior officers decided the lacked the temperament to carry arms despite being cleared of assault on appeal. There was an outcry when a magistrate fined the constable £150 for assaulting the 19-year-old, who claimed he was joking when he said he would like to throw the officer's nine-week-old daughter out of a train window.

### Price-fixing is suspected in electrical goods

The Monopolies and Mergers Commission is to investigate allegations of price-fixing in the electrical goods market after complaints from cut-price retailers that manufacturers

were refusing to supply them. The Office of Fair Trading, the government's competition watchdog, has referred to the commission complaints about eight categories of goods including televisions, videos, hi-fi systems, camcorders, washing machines, driers, dishwashers and refrigerators,

All manufacturers supplying more than 3 per cent of any of these markets will be included in the commission's investigations including well Philips, Electrolux, Hoover and Toshiba, making it one of the broadest inquiries of its type. However, many manufacturers and retailers yesterday denied price-fixing, saying the electrical goods trade was one of the most competitive

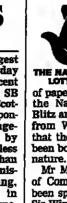
The Office of Fair Trading it first received complaints in summer 1993 retailers about manufacturers refusing to supply them if they attempted

Stagecoach, Britain's largest bus company, was yesterday ordered to sell its 20 per cent stake in rival operator SB Holdings of Glasgow in Scot-land, our Transport Correspondent writes. It was Stagecoach's second rebuff by competition authorities in less than two months. Mr Jonathan Evans, corporate affairs minister, said the shareholding, acquired by Stagecoach in tition for bus passengers in the Glasgow area and was against the public interest.

Sir Bryan Carsberg, director-general of fair trading, said: "Onr information indicates that some manufacturers, accounting for well over 25 per cent of the supply of the specified goods in the UK, have been engaging in practices designed to sustain retail price levels."

US-owned Costco, which has two warehonss clubs in Britain, said it had been talking to the fair trading

The MMC references had been prompted particularly by complaints from US-style warehouse clubs which have had limited success in Britain since opening in 1993.



minister, yes-terday tried to head off a dispute over the THE NATIONAL Durchase of Sir Winston Churchill's archive of papers with money raised in the National Lottery, James Blitz and John Kampiner write from Westminster. He argued that the documents which had been bought were of a personal

Mr Major said in the House of Commons that money had been spent on documents from Sir Winston's personal archive, which could have been sold on the private market.

Mr Major argued that the government had bought them for a fair price. "There is no question whatever of lottery money having been used to purchase papers that are the property of the state," he insisted, "What in fact was purchased was the personal papers of Sir Winston, that could have been freely sold to any number of buyers."

A proportion of the growing sum spent on the National Lottery each week goes towards a including the safeguarding of "heritage" items. Mr Ian Montrose, one of the trustees of the Churchill

Archive settlement, said last

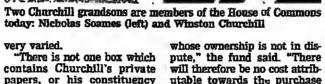
which consist of all Sir Win-



of the archives." However, in a statement last night, the National Heritage Memorial Fund made clear that it did not feel it had incurred any cost towards the state papers. "The archive will be purchased for less than ths figure which our expert valuers put on the personal constituency and literary papera

arate out the cabinet papers

without breaking the integrity



Over the last two years, Sir Nicholas Lyell, the attorneygeneral, has waged a campaign

papers they had created. However, the National Heri-

would be "turning in his grave" if he knew how much utable towards the purchase

in the courts to have the state papers in the Churchill archive ssified as public property. Throughout that period the Churchill archive settlement argued that Sir Winston had issued a memorandum in May 1945 permitting ministers in the war cabinet to take away

tage Department said yesterday that the Churchill family

### ous archives have, without pri-**Concession on** EU compliance is given to banks

The Bank of England, the UK central bank, is to allow some UK-incorporated banks to make limited use of internal trading models to assess how much capital they need for trading under the European Capital Adequacy Directive

The central bank disclosed yesterday that some large banks will be allowed to use tbeir models to make daily checks on the amount of capi-tal needed for securities and foreign exchange trading to reduce the costs of complying

with the CAD. The move follows the pro-posal by the Basle committee of bank supervisors from the G10 industrialised countries to allow larger banks to use inter-nal modsls to calculate bow much capital they need to cover trading risks.

European banks have protested that there are unnecessary costs in complying with the CAD's "building block"

next January. Some banks will now be allowed to calculate their capital requirements using the "building block" approach only once every six months. In the interim, they will be able to check on their capital needs using internal models. But they will not be able to reduce the amount of capital

approach, will come into force

produces a lower requirement than the "building block" approach. The only advantage will be not having constantly to duplicate calculations. "Some hankers bave said that the daily calculation of the CAD requirements is the most costly thing, and it does not fulfil much purpose," said one Bank of England official.

set aside if the internal model

The final version of the UK implementation of the CAD, to be published by the central bank today, makes a number of other changes. They include the relaxation of capital standards for loans made by banks

#### to investment banks. Exposures to investment approach to capital adequacy. They want instead to be able to use internal "value at risk" models to calculate capital. banks within the EU or from some qualifying countries will now be treated as lower risk than those to industrial compa-The CAD, which is eventunies. However, banks will have ally likely to be amended to to deduct from capital any comply with the Baale shares in investment banks. MPs warn of risks in Irish peace

By John Kampfner, at Westminster

The Northern Ireland committee of the House of Commons warned yesterday that "over-hasty" reduction in spending on British security forces could lead to a sharp rise in unemployment in the province.

The report warned that as many jobs might be lost as created if the security apparatus is dismantled too quickly. It employs about 20,000 people in the police, prison services and the army's support services, and in the private security industry. "The government will need to manage any radical alteration in its spending in Northern Ireland slowly and with care," the MPs said. The

Dae Ryung, the Korean electronics company, is to set up an £18m (\$29m) plant in Craigavon, Northern Ireland, to make satellite vidso receivers for home use. It is the largest greenfield investment in the province since the ceasefires last year by the Irish Republican Army

security forces spent up to £500m (\$810m) each year on construction and goods and services in the province. Any cuts would have a "powerful effect in towns and villages where the army has concentrated its spending". The committee said in a

report about job prospects that last year's ceasefires should promote considerable inward and its rivals. The investment backed by a £6m grant from Northern Ireland's Industrial Development Board, will provide 500 jobs by 1997. Dae Ryung is the US market leader in the manufacture of the home electronic equipment used to receive satellite television signals.

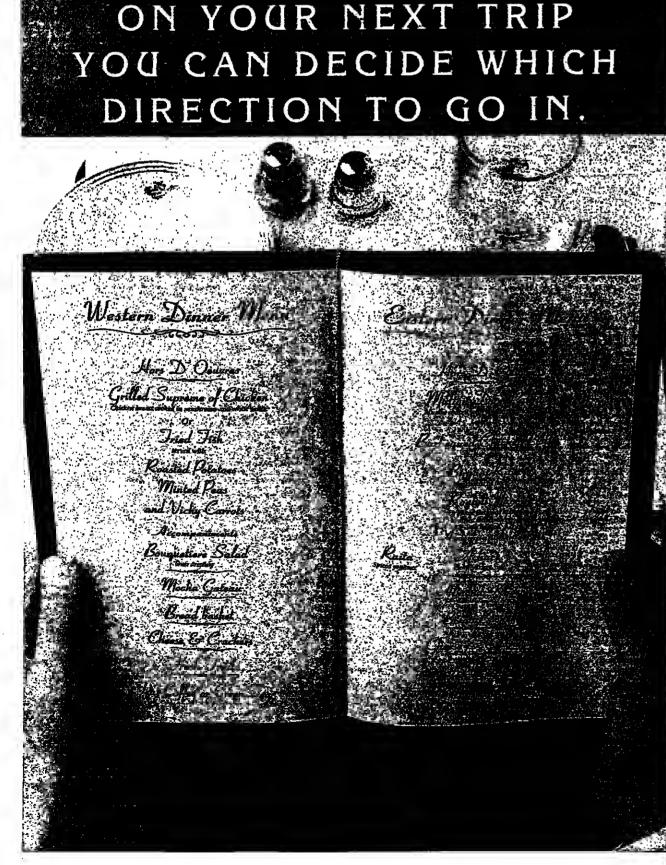
investment. A sustained period of peace could produce up to 20,000 jobs in sectors related to tourism. "Attention will need to be placed on improving the infrastructure of the region by developing energy and water resources, as well as transport links," it said.

Mr Michael Ancram, a junior minister in the British govern-ment's Northern Ireland Office,

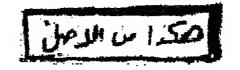
that the number of enquiries from outside companies interested in investing in Northern Ireland had grown nearly fourfold over the past six months compared with the corresponding period a year earlier.
While the unemployment

rate had dropped, it remained "too high for complacency." Mr Ancram added. The MPs' report said while there had been a steady rise in

job creation over the past few years, it had not kept pace with high birth rates, and the number of young people entering the labour market. With GDP per head at 80 per cent of the national average; Northern Ireland is the poorest region in the UK and bas the highest



Would you rather go East or West? We always give you a choice of hot, sumptuous lunch and dinner cuisines on our flights, no matter which of our 44 international destinations in 40 countries around the world you are visiting. Tantalisingly spicy eastern dishes. Or wholesome, hearty western food. Decisions, decisions. Our choice of hot in-flight culsines is just another reason to look at us now.



B/M/G/B

ecation: Central STORE STORE

Savable Products / Sando Tanufacture CE Sen yenerators of CO TOT CYCSSURE IN Termera proceed Staff: 216

Mease contact in

**CALL FOR TENDERS** 

for the Purchase of a group of assets of "METALLURGIKI HALYPS SA" of Athens Greece

ETHNINI KEPHALEDU SA Administration of Assets and Liabilities of 1. Shouleniou Str Athers, Grecce, in et capacity as Liquidator of "METALLIBRGINI HALIPS SA" a compan-tering its registered critic in Athers, Greace (the "Company"), currently under special liquidation eccording to the provisions of arride 48a of Lev 1882/1990 by virtue of Decision No. 4354-1994 of the Athers Court of Aspeal John Instructions of the cruditions representing more than 51% of the claims against the Company.

ennounces a call for tenders in the purchase of the group of essets mentioned below, which are being sold as a single entity

BRIEF INFORMATION

The Company was established in 1972 and was in operation until 1991, when it was declared participating into in rolls and bars. On 10.8,94, the Company was placed under special injurgation according to the provisions of ancie 463 of Law 1882/1990.

GROUP OF ASSETS OFFERED FOR SALE:
Steel Producing Industrial Complete at "Bangoli" in the Community of Almyros, Volos. This is a steel founding mill, occupying an area of approx. 575,215m; comprising the following buildings:

3. Holling Mill approx. 26,670m;

Steel Equation approx. 7,600m;

4 Submessons, Binding offers together with the Letter of Guarantee shall be submitted in sealed crivelopes containing the binding offers shall be unsealed by the above mentioned Notish Public in his office, on the 25th May 1995, 1400 flours. Any party having duly submitted a binding offers shall be emitted to after a and sign the deed attesting the unsealing of the binding offers, and the participant whose offer will be (adged, by creditors representing over 51% of the others against the Company fibe Confiders), upon supjection by the Liquidizor, to be in the best interests of all of the products of the Company for the purposes of explanation, an other to be paid in instalments shall be assessed on the basis of its present value, to be calculated by employing a 22% ennual discount interest rate, companied year).

7. The Liquidator shall give written note: \(\text{Limit in highest bidder to appear on the date and place mentioned imension and execute the portract of sale in accordance with the terms contained in its binding offer analor any other improved terms, which may be suggested by the Contions and animal mention in the factor of the first productions and animal mention in the factor of the production and animal mention in the factor of the first production and animal mention in the factor of the first productions.

7. The Laguatator shall give written note; y :... the highest bodier to appear on the date and place impationed immers and exocute the contract of sale in accordance with the varies contauned in his binding ofter and/or any other improved terms, which may be suggested by the Chaddons and agreed upon, in the event of the highest bidder not complying with such obligation, the Letter of Gaureniuse small be fortested as a penalty. Adjustication shall be deemed to take effect upon execution of the contract of sale.
8. All costs, and expenses of any nature, including any tax such as VAT), duties, custom duffes, any charges in twour of the state or third parties, which may need to be paid other than those exempted by the leafly in respect of the patiticipation in the Auction and the transfer of the exects offered hereby for sale, the sale contract, as well as any other act prior or subsequent in the transfer of assets shall be exclusively borne by the participants in retain no the exclusion of the clies or the appointment of the highest bidder or any decision to respectively.
8. The Liquidator and the Creditors shall have no liability nor obligation whatsoever towards the participants in relation to the exclusion of the clies or the appointment of the highest bidder or any decision to repeat or concell the Auction. The Liquidator or the Creditors shall have no liability for any legal or accust defects of the assets. Submission of binding oftens shall not create any right for the acquisionion nor the participation at the acquision and the factors and or the participation of the creditors for any reason whatsoever.
10. This invitation has been drafted in Greek and translated into English. In any event, the Greek version shall prevait.
ANNOUNCEMENT BY A THIRD PARTY

ANNOUNCEMENT BY A THIRD PARTY

The immovable property to be auctioned has been recognised in its entirety tell housed and open spaces) times the year 1979 to be an amnete of PCGW assimilated to a Central Warehouse by art. 15 of D 3077/54 and it is therefore subject to the exclusive "rely-in-hand" administration of PCGW, which has the unrestricted right, free of participation, for the needs of the administration of all the membrandists delikered and warehoused by the Metallungki Hallys SA into the Private Annes. Their status will be conditued until the end of the administration of such merchandists, which nowarays consest, on the one hand of the administration of PCGW through the express judicial consent of the nepressmatives of Metallunghi Hallys SA) and on the other hand of the quantity of biffets sold, which self trempine in the furnace of the factory, not having been self-varied due to inability to extract if from there due to lot be control." Elimid Knohestou SA will be handing to prospective buyers a copy of the above mentioned extrajudicial statument of PCGW and will be functionly information concerning the course of the marker.

To obtain the Offering Memorandum and for any further information please apply to the Liquidator of the Company: "ETHNIN KEPHALEOU SA Administration of Assets and Labilities," podress: 1, Skoulenkou Street, 105 61 Althons, Greece, 101 +30-1-323 14.84, (av. +30-1-321.79 05 (attention hirs Marks Frangalds).

adjudication Submissions, Binding offers together with the Letter of Guarentee shall be submitted w

the spent states to

FRIDAY APRILS

FINANCIAL TIMES FRIDAY APRIL 28 1995

British Rail

Ditton Timber

Treatment Works

The Sale of

Euror Works is being offered for talle. Daton produces where narraymed and creasers impregnated schwood reliving Steppers, and is the sale internal supplier of timber scepars used by British Rail interstructure Services.

Sales for the year to 31 March 1995 were upproximately 12.4 million. Through recent insustment, Dittor has became more efficient and now offers enterind a settler certain martial ming high sundants of quality and rately. Dittor World, is based on a 45 asset freehold site near Fauronia, and as at 31 March 1995 employed 14 popule.

Further information about the business and the cales process will be made available to appropriate enquiries, subject to a confidentiality undertaking.

This advertisement has been approved for the purposes of Seation 57 of the Financial Services Act 1986 by Price Waterhouse, who are tinancial advisors to the British Railways Board Vendor that, Price Waterhouse is subbrised by the institute of Chartered Accountants in

Price Waterhouse

#### **BUSINESSES FOR SALE**

#### F.E. Wood Group Limited (In Administrative Receivership)

For sale, the business and assets of the following companies, located in central Derby:

- Edward Wood & Sons Limited. A main contractor
- in construction. Order book £10m, turnover £25m. ■ Park Mechanical Services Limited. Specialist
- plumbing contractors, turnover £1.6m.
- East Midlands Joinery Limited. Manufacturer of specialist joinery for the construction sector, turnover £700k. ■ Castle Ward Coachworks Limited. Vehicle repair
- body shop, turnover £400k. Kellard Limited (located in Cheltenham).

Main contractor and small works specialists, turnover £5m. For further information, please contact: I. Best or D.K. Duggins:

Arthur Andersen, 1 Victoria Square, Birmingham B1 1BD. Tel: 0121 233 2101, Fax: 0121 643 7647.



ARTHUR ANDERSEN & CO. SC

Arthur Andersen is authorised by the Institute of Chartered Account

#### Insuwali

The business and assets of this company are for sale as a result of receivership:

- Produces and installs cavity wall, roof insulation and replacement cavity wall ties.
- Based in Willenhall, West Midlands with operating
- depots in three other UK locations.
- Annual Jurnover of approximately £3m. Current contracts may be available for novabor.
- For further information contact P E Baldwin or M R Farnham at: **Price Waterhouse**

Cornwall Court 19 Cornwall Street Birmingham B3 2DT. Telephone: 0121-200 3000. Fax: 0121-200 2464.

Price Waterhouse

Price Waterhouse is authorised by the Institute of Chartered Accountants in England and Wales to carry on investment by

#### FOR SALE

Established Company Profitable Total Facility located in a Regional Development Area. Manufacturing and distributing party & Christmas decorations, with excellent Offers from customer base. Turnover £3m

Please write to: Box B3715. Financial Times, ine Southwark Bridge, London SE I 9HI

#### BUSINESS FOR SALE

Maintenance business for sale. Turnover £500,000 per annum. No longer part of Corporate Strategy, Midlands based.

Principals only. Vrue to box B3746, Fungueral Times One Southwark Bridge, London SE1 9HL

Company and its essets upon signing a confidentiality agreement.

TERIAIS AND CONDITIONS OF THE AUCTION

1. The Auction shall take place in accordance with the provisions of arboto 46a of Law 1892-1990 (as supplemented by art. 14 of L2000)31 and subsequently modified the terms and conditions as stored conditions as tip of conditions of Sale\* contained in the Offenny Memarandum Such provisions and other terms and conditions is Sale\* contained in the Offenny Memarandum Such provisions and other terms and conditions what apply in especies of whether they are membraned herein at not Submission of plating offers shall make a subsequently provisions and other terms and conditions.

Becand Offect indicated parties are hereby made to submit binding others, not later than Theretay, 25th May 1995, 1,300 hours, to the Alhons Noting Public M. Exangelse Discopoulos. 19 Yourschelder St. 116 FT Afrans, et al. 401-1361 (37.32 (sex. +301-1362) 1111.

Cless should expressly state the offered price are the oracided terms of payment tin cash or insultanels, mentioning the number of instair-ents, the dates thereof and the proposed annual interest rate of any). In the event of not specifying at the way of payment, by whether the credited smouth shall bear interest and of the interest and shall be specified and the sale contract, of the amount credited shall bear interest and of the interest and extending amount and shall be the legal rate in four from time to time. In all cases where the credited emount bears interest, the shall be calculated on the basis of the outstanding amount and shall be poyable on the date of payment of each installment. Binding offers submitted later than the other shall neither be accepted in considered, The affects shall be bending until the other shall be calculated on considering the submission and trust the other shall be accepted on condition in the tits as submissed to be complained at a later stage shall be accepted on condition in the tits as submissed by a Letter of Guarantee. I become on the Lette

#### **CONTRACTS & TENDERS**

### ROSSIYSKIY KREDIT BANK

rerested parties regid obntact:

The Commercial Department

**Vendor Unit** 

Gordon Street

0171 888 4986 0171 888 5715

₹

ONE OF THE LARGEST RUSSIAN BANKS

Hereby RKB officially announce an open tender for the automation of its front-and back office activities. RKB is a wholesale bank located in Moscow, Russia.

Mandatory requirement for the participants of this tender is to have technical support in the Russian Federation.

All participants for this tender are requested to register by fax: (7-095) 248-2201 within one week after this announcement

The R.F.I. is available at the following co-ordinates: Attn. Mr. Nikolai Zovgorodny 30, Smolenskiy blvrd, apt. 317 Moscow, Russia, tel.: (7-095) 248-2836



Multichonnel twenty-four-hour inquiry tel: (7-095) 943-5101

B/M/G/B Beteiligungs-Management-Gesellschaft Berlin mbH

Dampfkesselbau Hohenthurm GmbH

Location: Central in Europe; in the middle of Germany, near the

Size: Site with buildings approx. 60.000 m² (an expansion area up to

Products/Services: Over 40 years experience in metal processing

and non-pressure containers, large pipes, tubular air heaters etc.;

and manufacture of steam installations. Construction and overhaul of

steam generators. Construction, manufacture and testing of pressure

Please contact Telephone +49 30 31546482, Fax +49 30 31546250

BUSINESSES FOR SALE

Appear in the Financial Times on Tuesdays, Fridays and Saturdays.

The Beteiligungs-Management-Gesellschaft Berlin mbH

(Manufacture of Steam Generators)

Leipzig airport

Staff: 216

90.000 m<sup>2</sup> is available)

sheet metal processing.

#### APPOINTMENT OF THREE ASSOCIATE DIRECTOR POSTS

Applications are invited from competent Marketing and Sales Consultants for inclusion in a select list to be invited to tender for each of three consultancy contracts to be awarded by the industrial Development Board for Northern Ireland.

CONSULTANCY CONTRACTS

The IDB wishes to appoint three Associate Directors to join the existing teams working to attract inward investment through IDB's three Asia Pacific offices in Japan, Korea and Taiwan. The three successful appointees will be based in Belfast and will be under the direction of the Executive Director, International Operations Divisioo. REQUIREMENTS

The service provider will be required to demonstrate his/her capabilities of meeting the cooditions as set out in the invitation to tender, These will include:

- a sound knowledge of the business environment in the relevant country;
   fluency in English and the relevant language;
   familianty with the business and social cultures of the relevant country;
- exceptional communication, presentation and interpersonal skills, especially in dealing with customers at senior management level;

Belfast BT1 4IX

Fax ; 01232 545333

- experisoce in preparing and implementing marketing and sales plans;
  an ability to identify opportunities for foreign direct investment into Northern Ireland;
  an ability to cultivate European based subsidiaries and media of Asia Pacific countries;
  a willingness to travel frequently in order to develop key client portfolios.
- The service provider will be based in Belfast and will work in support of and in close liaison with the IDB Directors to each of the three Asia Pacific offices.

Please apply in writing (attaching a CV and other relevant details) expressing your interest in being invited to tender by 9th May: Roz Carson Director, International Promotion

Industrial Development Board for Northern Ireland IDB House, 64 Chichester Street



### **LEGAL NOTICES**

THIS ADVERTISEMENT HAS BEEN PLACED BY THE LUXEMBOURG COURT APPOINTED LIQUIDATORS OF:



BCCI HOLDINGS (LUXEMBOURG) SA

(IN LIQUIDATION) Airport Center, 5 rue Hahenhof, L-1736 Senningerberg

#### BANK OF CREDIT AND COMMERCE INTERNATIONAL SA (IN LIQUIDATION)

Airport Center, 5 rue Hohenhof, L-1736 Senningerberg

#### EXTRACT

By Court Order dated 11th April 1995, the Luxembourg District Court supplemented the Winding-up Orders on BCCI HOLDINGS (LUXEMBOURG) SA in liquidation, with registered offices at Airport Center, 5 rue Hohenhof, L-1736 Senningerberg, Grand Duchy of Luxembourg, and on the Limited Liability Company BANK OF CREDIT AND COMMERCE INTERNATIONAL SA in liquidation, with registered offices at Airport Center, 5 rue Hohenhof, L-1736 Senningerberg, Grand Duchy of Luxembourg, as tollows:

The Court appointed Liquidators will draw up lists of claims which they consider to be admissable. At the same time they will draw up lists of disputed claims. They will present a report to the Supervisory Judge regarding their verification activities and periodically provide the Judge with provisional lists of admissible and disputed claims.

During the first ten days of January, March, May, July, September and November, the periodic lists of claims declared to be admissable will be lodged with the Clerk to the Luxembourg District Court, and will be open to inspection by those creditors certified admissable and those who appear in the books of the company. They may challenge claims shown on the lists by notifying their intention to the Clerk of the Court who will note their challenge in the margin against the refuted claim. Such notation will indicate the date of the objection, the identity of the challenger and, if necessary, his representative who will be instituting proceedings. The objection must be confirmed by registered letter forwarded to the liquidators within three days, otherwise it will be inadmissable. Il must indicate the precise capacity of the person raising the objection, the proof of his qualification as eligible or listed creditor, and the grounds for rejecting the refuted claim, failing which the application may be deemed inadmissable. Domictle must be elected within the Commune of Luxembourg.

On expiry of the 10-day period during which claims may be challenged, those claims declared ble which have not been challenged will be included in a final report signed by the Liquidators and the Official Receiver.

The Supervisory Judge will refer the lists of disputed claims to the next Luxembourg District Court hearing in commercial togation as fixed for such purposes by the present Court Order. Those creditors advised in writing by the Liquidators that their claims have been disputed or challenged will be required to elect domicals in the Commune of Luxembourg within a period of fifteen days from despatch of the letter.

Where domicile is not elected, all notices, notification and information may be communicated or given to the same at the Office of the Clerk to the Luxembourg District Court.

Where a claim is disputed, the claimant will be advised accordingly by the Liquidator by Post Office registered letter mailed at least lifteen days prior to the hearing fixed to consider the dispute in question. The letter will indicate the data and place of the hearing. Disputes and challenges to claims which have been declared admissable, referred by the Supervisory

Judge will be heard by the Luxembourg District Court at commercial litigation hearings on 16 June. 10 November and 1 December 1995, and 14 June and 15 November 1995. At these hearings, the Supervisory Judge will make a report and the Court will adjudicate in respect of all objections and challenges raised, and this without prior summons. Judgement will be given after hearing all sides, if appearing, encompassing both liquidators and creditors opposing and stating their claims.

Objections on which no immediate decision can be made will be put to one side. Those which tall outside the jurisdiction of the Commercial Court will be referred to the relevant competent Court. No opposition will be admitted against judgements ruling on any such objections or challenges. Jacques DELVAUX

Georges RAVARANI Liquidateurs judiciaires de BCCI HOLDINGS (LUXEMBOURG) SA en liquidation

Georges BADEN

Brian SMOUHA Liquidateurs judiciaires de BANK OF CREDIT AND COMMERCE INTERNATIONAL SA en liquidation

#### For further information or to advertise in this section please contact

Karl Loynton on +44 0171 873 4780 or Lesley Sumner on +44 0171 873 3308



## **Specialist International**

Turnover c£1m and recognised internationally as the authoritative trade magazine in its field

Trade Magazine

Principals should contact: Ref 9084

# THE BUSINESS EXCHANGE

21 John Adam Street London W C2N 6JG Telephone: 0171-930 8965 Fax: 0171-930 8457 A member of SFA

#### **CONTRACTS & TENDERS**

REQUEST FOR PROPOSALS EMERGING MARKETS EQUITY INVESTMENT MANAGEMENT

The Washington State investment Board (WSIB) is a U.S.A. public state agency with the investment management responsibility for approximately \$26 billion in 23 funds in three classes; retirement, insurance and permanent funds. The WSIB is issuing two procurement documents, a Request for Proposals and a Request for Qualification/Quotations, to hime qualified firm(s) to provide investment management services in emerging arkets as outlined below:

A. Request for Proposals (RFP) in three emerging markets categories. (1) active global equity; (2) active Latin America regional equity; and (3) active non-EAFE Asia regional equity. To qualify for each category, the offeror must have a minimum of three years live performance history in the subject product. Additionally, for category one, the offeror must manage a minimum of \$200 million U.S. in a stand-alone emerging markets global equity product. For the regional categories two and three the offeror must manage a minimum of \$100 million U.S. of standalone Latin American or non-EAFE Asian regional equity product.

Request for Qualification/Quotations (RFQQ) for passive globs investment management services in emerging markets. To qualify, the offeror must have a minimum live performance history of one year in the subject product and three years in a non-U.S. passive index product. The offeror must also manage \$200 million U.S. or more in stand-alone passive emerging markets global equity product.

Additional qualification for both procurements: An offeror must be an SEC-registered investment advisor with one or more U.S. tex-exempt stitutional clients invested in any product.

The WS/B will begin mailing the RFP on April 28, 1995 and the RFQQ on The WSIB will begin maning the KFP on April 28, 1995 and the RFQQ on May 5, 1995. Proposals for both procurements are due June 12, 1996. If your firm is qualified and would like to participate, you may obtain copies of these documents by confacting by facsimile only: Mr. John Lynch, WSIB, Olympin, Washington, USA. Fax: (360) or (206) 664-8912. Please clearly specify which document you want and the title of the rocurement you are requesting.

17.07 - 10.07 (1.00 )

 $\cdot\cdot V^*$ 

# Philippine factor

enowned worldwide for its maids, entertainers and nannies, many overlook the fact that the Philippines is one of Asia's largest exporters of senior and middle-level manag-

"Philippine managers are among the highest quality in the region," says Felipe Alfonso, president of the Asian Institute of Management in Manila. "Look at the Indonesian banking sector. It is practically run by Filipinos."

In 1988 local skills shortages compelled the Indonesian government to scrap restrictions on expatriate workers in the Indonesian financial sector. Many of the country's financial houses, including the Lippo Bank, which is headed by Ben Castillo, hired large numbers of Filipinos.
"The advantage of Filipino managers is

that they are adaptable, versatile and English-speaking," says David Hodgkinson, chief executive officer of the Hong Kong and Shanghai Banking Corporation in the Philippines. "They also work incredibly

The point has not been lost on the 10 foreign banks given licences by the central hank to operate retail and wholessle branches in the Philippines as part of the sector's liberalisation. The four existing foreign licensees - Citi-

The idea of employee share ownership as saviour of the free market may not have swept the world's company boardrooms, However, a recent gathering of senior US executives in an old manor house in Portugal suggests the cause may again be gathering momentum.

The preacher pushing the message that companies should provide their workers with shares was Jeff Gates, a former counsel to Russell Long, the conservative Democratic senator from Louisiana, who likes to recall the dictum of his political mentor: "Capitalism would be much improved if it were populated by more capitalists."

Long helped to craft federal legislation in the Reagan years to encourage employee stock ownership schemes based on the pioneering work of a San Francisco lawyer, Louis Kelso, whose Capitalist Manifesto published in 1958 is the bible of the wider share ownership movement.

Gates argues that share-owning employ-ees are the answer to a malaise in capital-

bank, the Bank of America, the HBSC and Standard and Chartered - quickly found themselves the target of predatory encroachment from their new-found rivals offering premium salaries for the country's local and overseas banking personnel.

"We put local applicants for management positions through exactly the same lan-guage aptitude and numerical tests as those in the UK. Apart from Hong Kong we do not do that anywhere else in Asia," says Hodg-

"In Thailand and Indonesia yon find yourself forced to put people into jobs and hope they will grow into them. We do not have to do that in the Philippines," he adds. Teodoro Montecillo, vice-president of Citi-

bank (Philippines) and an employee of the American institution in Manila since 1965, attributes the high standards of Filipino managers to the country's past. "We have been colonised and occupied by

the Spanish, the Americans and the Japa-nese. This has left us with a very flexible cultural outlook. In other words we are not stuck in a rigid national mindset."

Terry Villareal, 31, an associate market-ing manager at Metrolab, a Manila affiliate of the Hong Kong-based First Pacific group. took an MBA at the Asian Institute of Management with graduates from other Asian countries. "I felt we were less prone to

ism, which he claims has grown "discon-nected" as capital has become concentrated

in the hands of fewer and fewer individuals

"Capitalism has long been a notoriously

poor creator of capitalists," Gates explains,

"After almost two centuries of capitalist evolution, the top 10 per cent of US wealth

holders own 89 per cent of the financial securities held by US households, about the

He wants to see "more localised and more

personalised participation" in the economy

through a wider ownership of capital. He

same as when silk hats were popular."

and broadly diversified mutual funds.



quantifying issues than other Asians. Con-fronted with a problem we would give an overview first of all before trying to put a figure on it."

This approach has clearly paid dividends for Filipino managers. First Pacific; for example, which is owned by the Indonesian Salim group, is headed by a Filipino in Hong Kong as is Metro Pacific, First Pacific's Manila subsidiary.

Other multi-national subsidiaries headed Filipinos include Nestlé, Procter & Gam-e, Timex and Del Monte Fresh Produce, which is owned by Grupo Cabal in Mexico.

The rapid localisation of the management of foreign firms based in the Philippines has dented the Philippines' long-standing inferiority complex vis-a-vis the country's Asian neighbours. Considered the "sick man of Asia" the Philippines is regaining its

Fair shares for workers

Robert Taylor on the arguments for spreading employee ownership

owned hy their own employees hy 2000, More US workers own shares in their own

company than possess union membership

cards. He estimates that around 12 per cent

of the US workforce in 12,000 enterprises

"now participate as significant shareholders

Employee ownership accounts for 3.5 per

cent of all US market capitalisation with a

total market value of around \$150bn

(£92.5hn). The companies operating

employee share ownership plans (Esops) -

tax driven schemes which mushroomed par-

ticularly in the 1980s - include United Steel,

United Airlines, Avis rental car company, Tandy corporation and Publix Supermar-

kets. An estimated 85 per cent of all Esops

of companies where they work".

"I have always believed that Filipinos would excel like any expatriate if given the chance," says Joselito Silva, senior director of Del Monte's operations in Mindanao, with a masters degree in plant disease from the University of Hawaii and a monthly salary of \$5,000 (£3,086). "We tend to be more adaptable than others, especially when assigned outside our own country, because our approach to management is neither fully oriental nor fully western."

This view is confirmed by expatriate executives based in the Philippines. Don Mika, the American country manager of Texas Instruments, an American computer circuitry manufacturer, which employs 2,000 workers at its plant in Baguio and is one of the largest foreign investors in the Philippines, is the only expatriate based at the

are in unlisted companies.
Gates adds that several US trade unions.

including the Steelworkers, regard "owner-

their members to the economy". The move-

ment is spreading across the world, Gates claims. He points to the Czech Republic

where citizens have been given vouchers to secure a possibly profitable stake in former

state-owned enterprises. He points to moves

to encourage worker ownership in Jamaica

and Ivory Coast, and says that more than 3.000 companies in China have provided

Gates is aware of the dangers of over-sell-ing his product. "Unfortunately, in policy

circles ownership remains a touchy, even a

ship as the new frontier for connecting

When we first started here we employed

seven expatriate managers. New there's only me and I can envisage in the near-term our operations becoming completely localised," says Mika, who has been based in Asia for 15 years.

The thing that strikes me most is that Filipinos work very well in teams because they are highly adaptable. You can put an engineering graduate in an administrative position, for example, and he will immediately fit into the new surroundings."

As the country's economic recovery gathers momentum many Filipino managers are returning home to pick up the higher salaries on offer and add their numbers to the

accelerating reverse brain drain.

"The brightest and the best now have the opportunity to do something for their own country rather than selling their expertise, to others," says Alfonso. "The country stands to benefit enormously."

taboo, subject," he says. "Any politician [in: the United States] daring enough to men-tion it runs the risk of being portrayed as politically pink if not outright red.".

ownership. He also thinks they may save at " least the US trade unions from oblivion. "What is now needed is a concerted effort to upgrade union members' ownership portfolios, meaning both the skills they own and the assets they accumulate based on

Gates wants to make the world safe for

capitalism" through the spread of employee

those skills," he argues. Esops are no longer regarded as eccentric in the UK. The first one was set up in 1986. Since then both the Co-operative Bank and Unity Trust, the trade union bank, have encouraged them to spread among trade

unions and their members. A number of privatised bus companies were established on employee ownership lines during the 1980s - helped by Conser vative government provision of tax advantages designed to stimulate Esop growth.

# Bound college

collegiate body for UK company directors comparable to the Law Society, the Royal College of Surgeons and the Institution of Civil Engineers – is being proposed by the author of a recent report on boardroom gon-executives.

Patrick Mileham, a lecturer at the University of Paisley and the University of Surrey's Centre for Leadership Studies, believes the college would promote "directorial best practice" and improve director level training and development. All members of stock exchange listed companies, he ands, should ultimately be required to join. Mileham's thinking is based

· James and Street

1,41.4

Torres a arross.

... . ....

Entry Curte

Martin Com Ber

一方 アンコンス

1 1 1 1 1 1

5-- <u>1. -- 1.</u>

- Table 12 14 14

5. M. M. W. W. 1888

Fig. 7. Miles

The state of the

State Street

1 40 mg

100 50° 50°

AISTERDA!

200

Contractor 'S A

5. 4-me. W.

Section 5. Section 5.

100 mm 100 mm

PRESSELS

Pereco

MANUET SOO

3.92 500

2012

------ and 

1.3.6 的故事

Same of the

on what he calls the "positive aspects" of corporate governance and by the enthusiasm of those interviewed during his research.\* "We were informed that the majority have

growing confidence in their role, but do not like to be mistrusted. and be lumped together with some notorious recent cases of . directorial failure.

"More than 80 per cent believe in training for those coming onto a board for the first time.

more than two thirds believe in the necessity for non-executive training, and 30 per cent consider there is much value to be derived from whole-board training."

Native cunning and gifted

amateurism, he explains, must be replaced with something more substantial as new generations reach the boardroom.

The proposed chartered college of directors would set standards, encourage research, and set qualifications based on training and development. Other organisations such as the Confederation of British Industry and the Institute of Management could play a supporting role. .

Non-Executive Directors' Role in . Strengthening Radiatroom ...... Leadership: Published by the Institute of Management.

Tim Dickson

#### sees history as on his side. As Gates points out, a quarter of all US publicly traded companies will be more than 15 per cent

**COMMERCIAL PROPERTY** 

#### PENTHOUSE OFFICES DRESDEN

New Business Park

- Prestige development
- Hotels and restaurants Excellent location on LEIPZIG/DRESDEN motorway.
- Dresden town centre 5 miles Large underground car parking
- 5 year lease or longer

UNIT	ARIEA m²	FIENTAL primonth	
PENTHOUSE No.11	360	DM 15,50	_
PENTHOUSE No.18	442.70	DM 15.50	
PENTHOUSE No.8	596.60	DM 14,50	_

- Completed 1994
- Additional warehouse storage available on ground floor Penthouse units 10 & 11 have separate entrances and own lift

Tel: 00 49 89 90051-156 or 00 49 171-2323575 Fax: 00 49 89 6883950



YOUR BUSINESS

**WOULD BENEFIT** 

FROM GRANTS

AVAILABLE IN A FULI

UK DEVELOPMENT

WE'LL GRANT YOU THAT!

With Direct Access

to Europe

Contact Chris Buffrey

on (01843) 225511

A PRIME SITE FOR YOUR

COMMERCIAL PROPERTY

Advertise your property to

in 160 countries.

Call Sookie Cantillor

or Fax: +44 171 873 3098

mately I million FT readers



### 01293 548331 0181 297 8150 0171 629 7666

#### SERVICE AREAS **TOTALLING OVER: 700 ACRES** WITH DIRECT ACCESS TO THE NATIONAL MOTORWAY SYSTEM FREEHOLD INVESTMENTS FOR SALE BY TENDER SUBJECT TO EXISTING OPERATORS' LEASES FRONTING M1, M6, M62, M5, M42, M4, M27 AND M2 SUBSTANTIAL REVERSIONS

ON THE INSTRUCTIONS OF THE

**30 MOTORWAY** 

TO BE OFFERED AS 30 SEPARATE LOTS: For Information Pack call 0171 514 2233 and leave your

HEALEY & BAKER 0171 629 9292

JOHN ORGAN OR GORDON PIPE

#### **PUBLIC NOTICES**

name and address

NOTICE PUBLISHED BY THE SECRETARY OF STATE UNDER SUB-SECTIONS 10(6) OF THE TELECOMMUNICATIONS ACT 1984

The Secretary of State hereby gives notice as follows.

I. He proposes to grant a licence under the Telecommunications Act 1984 ("the Act") to IPM Communications pic ("the Licensee") to run telecommunication systems throughout the United Kingdom. The licence will be for a period of 25 years subject to earlier revocation in specified circumstances.

2. He proposes to apply the telecommunications code ("the Code") with the exception of paragraphs 8, 10, 17 and 18 by virtue of section 10(2)(b) of the Act, and subject to certain exceptions and conditions, to IPM Communications pic to run telecommunication systems throughout the United Kingdom. The effect of the exceptions and conditions to the application of the Code is that the Licensee will have duties:

(a) to comply with the various safety and environmental conditions; (b) to comply with conditions designed to ensure efficiency and economy on the part of the Licensee in

connection with the execution of works on land concerning the installation, maintenance, repair or

(c) to consult certain public bodies before exercising particular powers under the Code, including the local planning and highway authorities and English Nature, Scottish Natural Heritage, the Countryside Council for Wales, the National Trust and the National Trust for Scotland, as well as relevant electricity suppliers; (d) to keep and make available records of the location of underground apparatus and copies of the exceptions

and conditions in the licence to its powers under the Code; and (e) to ensure that sufficient funds are available to meet certain liabilities arising from the execution of

street works 3. The reason why the Secretary of State proposes to apply the Code to IPM Communications pic is that it appears to

(1) the running of the telecommunication systems will benefit the public; and

(II) it is not practicable for the telecommunication systems to be run without the application of the Code.

4. The reasons why it is proposed that the Code as applied should have effect subject to the exceptions and conditions referred to above are that they are considered regulate or expedient for the purpose of securing that the physical environment is protected, that there is no greater damage to land than necessary, that the systems are installed as safely and economically as possible, and that the Licensee can meet (and relevant persons can enforce) liabilities arising from the execution of works.

Representations or objections may be made in respect of the the application of the Code to the Licensee and the proposed exceptions and conditions referred to above. They should be made in writing by 26 May 1995 and addressed to the undersigned at the Department of Trade and Industry, Telecommunications and Posts Division, Room 2.78, 151 Buckingham Palace Road, London, SWTW 988. Copies of the proposed licence can freely be obtained by writing to the Department or by calling 0171-215 1756. Alan Proud

Department of Trade and Industry

28 April 1995

revolution is taking mercial shopping cen-tres, with radical changes in ownership in what is becoming an increasingly attractive investment sector.
For 20 years, the structure of

Esops to their employees.

the market remained stable and tightly-controlled. Just four banks - Worms, Crédit Lyonnais, Suez and Paribas with two insurance companies and four retail chains operated a closely-knit partnership which conducted most development and management.

Suddenly, that has changed. Since 1990, 20 of the large regional centres have changed hands. Since the start of last year alone, there have been 12 such transactions, including the enormous acquisition by the French group Unihail of Suez's CFI portfolio of participations for FFr3bn (\$622m). Substantial sales to foreign

investors have begun. The first in 1990 of the Parinor centre was to the Dutch group Wereldhave. Since then, Shroders International Property Fund, Hammerson of the UK and the Abu Dhabi Investment Authority have become involved. "We have been pretty active,

especially last year," says Mr Gérard Devaux, head of Hammerson France, which now has half of its portfolio in retail sites. "We think there is a lot of value to be had from commercial centres. It is very much our intention if we can find the right opportunities to But what has caused the

explosion of interest? First, there is little doubt that shop-

### A French revolution

Andrew Jack examines an increasingly attractive sector

ping centres represent a highly important hosiness. The 630 per cent of all retail space and all sales from shops.

This business is growing fast, and seems to have been largely protected from the worst effects of France's economic difficulties over the past few years. "Shopping centres have not lost turnover," says Mr Léon Bressler, head of Unibail, the country's largest owner of commercial retail space. "The rapid growth may have stopped but the impact has only been a stabilisation." Developers in out-of-town

There is also a structural fac-

centres around the country including some 39 large regional and seven super-regional sites - occupied some 18 generated a turnover in 1993 of up to FFr450hn, or a quarter of

centres have the advantage of greater legal freedom than their counterparts in high street stores to implement larger and more rapid rent rises. In addition, rentals tend to be at least partly based on shop turnover, which shields the investment from inflation.

tor that has made French shopping centres increasingly

attractive to investors. Tough planning regulations are now significantly restricting the prospects for future openings of large regional centres, in a way that should prevent the market becoming saturated and safeguard the value of existing investments. A new law introduced in 1993 imposed far barsher criteria for-

approved in France fell from almost 2m sq metres in 1992 to 207,000 sq metres in 1993 and was 700,000 sq metres last year. But it was probably the unprecedented collapse in the office property market that made most difference, as investors turned elsewhere in the search for better returns. "It's nice to have a historic Haussman building in Paris, but it's not much good if it's empty," says Mr Bressler. "Shopping centres are cashflow oriented

the approval of new develop-

ments. The effect has been to

freeze the market. The volume

of new commercial retail space

and crisis resistant." Equally, foreign investors were at first suspicious that French companies were not more involved in more transac-

the fact that they could not tionally the "anchor" store in a centre owns its own property. "They accepted that you cannot avoid co-ownership if you want to enter the French market," says Mr Devaux.

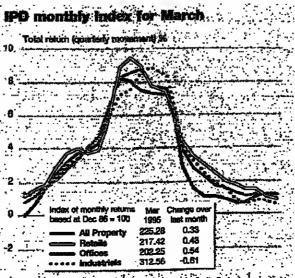
Mr Simon Marrison, an associate with Healey & Baker, the chartered surveyors, in Paris, said: "A lot of people realised that their portfolios were light in shopping centres." However, this realisation had

been growing over some time. The difficulty was more one of supply. "It was a question of lack of product," he says. "Everyone was agreed that there was plenty of demand but the potential to actually do deals was very limited." As the recession deepened,

shopping centers became avail-able as developers were finally - and often reluctantly forced to sell to realise capital gains to offset huge losses elsewhere. Examples included Suez and Crédit Lyonnais. The prospects for the future

are more open to question. With the chances of large new retail developments diminishing, investors will have to be more imaginative in refurbishment and the use of other attractions to hring more custom to existing centres.

Many companies will also no doubt hegin to shift some attention back to the French office market once it begins to recover over the coming years. But as Mr Marrison says: "I think there is a consensus now that property investors must always have some shopping tions, and uncomfortable with centres in their portfolios.



### Little change in month

The All Property total returns index rose only 38 basis points to 225.28 in March as a result of the barely noticeable (0.1 per cent) rate of return for the month. This compares with a 0.2 per cent return in February. Rental values also barely

moved during March, the All Property rental value index falling from 136.26 in February to 136.21. Capital values continne to decline, as they have since September 1994, recording minus 0.5 per cent. None of the three main per-

formance measures have changed significantly over the last quarter. All property total return measured 0.9 per cent for the first quarter of 1995

compared with 1.0 per cent for the final quarter of 1994, while capital growth recorded minus 1.0 per cent and minus 0.9 per cent for the respective periods. Over the 12 months to

March 1995, capital growth rates have now turned negative, recording minus 0.2 per cent compared with 2.7 per cent achieved for the year to February. All property total return also shows signs of slowing in the long term, recording 7.9 per cent over the 12 months to March, just over three points down on that recorded for February 1994-95. Offices continued to display the highest sector return in March, recording 0.3 per cent.

adir regains ntrol of part his empire

CACLAL CINES SERVEY APRILE

y ...

\*

1.

State State of

 $\left( \frac{\sigma_{k+1}}{\sigma_{k+1}} + \frac{\sigma_{k+1}}{\sigma_{k+1}} + \frac{\sigma_{k+1}}{\sigma_{k+1}} \right)$ 

42 4 mm

10 mm

----

y i Ver

Salar Salar

pile .

in Victoria

....



Rijksmuseum Tel: (020) 873 21 21 The Age of Elegance: exhibition reflecting 18th-century Dutch art with 40 paintings by artists such as Troost, Tischbein and Ouwater; from Apr 29 to Sep 24

 L' Orfeo: by Monteverdi. A new production conducted by Stephen Stubbs and directed by Pierre Audl. Soloists Include David Cordler, Howard Crook and Agnés Mellon;

 Belgian National Orchestra: with the Brussels Choral Society led by Tom Cunningham and mezzo-soprano Penelope Walker. Yuri Siminov conducts Elgar's The Dream of Gerontius"; 8pm; Apr 29 OPERA/BALLET De Munt/La Monnaie

heightened insincerity.

The two Katherines start with opposite

Simon, by contrast, here delivers the most overblown episode of a performance that is nothing but over-acting; she struts her way with confident artfulness to bed, onstage, goes in for high-voltage acrobatics beneath the titivet, and re-appears in the morning - get this - bumping and grinding to a stripper tune, making love to Petruchio's trunk-size backpack.



that The Taming dramatises Everyhus-band's treatment of Everywife. The com-edy is that Katherina is a shrew, the beauty is that Shakespeare sets her unconventional tale in malicious counterpoint against the more traditional commedia dell' arte comedy of her pretty little sister Bianca; the miracle is that Katherine is not broken by her taming but transfigured. The problem, however, is that Shakespeare gives her too few lines in which to show her shrewishness, we hear that "mortal ears might hardly endure the din" of "her scolding tongue", but we seldom hear that din. You wonder why modern directors trou-

ble with The Taming unless they make it a drama of, as Petruchio sees it, glorious falcoury. Yet almost all of them are too scared, too p.c., to make Katherine a shrew. England has two new stagings, one by Gale Edwards for the Royal Shakespeare Company in Stratford-npon-Avon, the other by Mihai Maniutiu at the Leicester Haymarket. The first four acts of the former are the worst RSC Shakespeare I have ever seen, though the fifth recoups many of the earlier losses. The Leicester staging, however, is much, much

The productions are not helped by employing, as Kate, two of Britain's most over-promoted actresses. Joste Lawrence at the RSC and Josette Simon at Leicester. Edwards and Lawrence are too timid to make Kate a shrew. Lawrence'a Kate is simply a picturesque but dully imposing heroine out of some period romantic fiction (Daphne du Maurier'a Frenchmon's Creek, maybe, or Hugh Walpole's Judith Paris). Maniutiu and Simon, however, are too silly to show us either a shrew or a taming. Simon's Kate is a posturing, prowling, rifle-shooting, jazzy, sexy, fighting-cock who learns nothing save

qualifications, proceed in opposite directions, achieve opposite results. Witness the moment when Petruchio says "Come, I will bring thee to thy bridal chamber." Kate can react to this in umpteen different ways; she can show fear, desire, aversion, ways; she can show lear, desire, aversion, exasperation, shame, curiosity... Lawrence, who is a stage artist of very restricted expressive powers, is simply a blank here, giving its no clue of what mood in which Kate is led to bed.

s a comic portrait of inter ::

necine warfare among les-bians working for the BBC. Frank Marcus's 30-year-old

play The Killing of Sister George leaves something to be desired; but

Frank Rayment's new production of

This is a coy, quaint, artificial, unorganic account of a play that

was once audacious. Homosexuality

in recent years has become an

increasingly frequent subject on the

West End stage, and the last thing that is needed in a revival of Sister

George is timidity. Yet timidity is what underlies this production. It is

as if the three leading actresses

were terrified that we might actu-

ally think they were intimately involved in their roles. And the cen-

tral problem is the performance of

Sister George given by Miriam Mar-

Four years ago, in her own one-

woman show Dickens's Women,

Margolyes gave an unflinching

interpretation of the lesblan Miss

Wade in Little Dorrit. She delivered

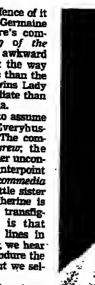
the opening paragraphs of the

astonishing chapter "The History of a Self-Tormantor" with thrilling

susterity, implacably and intelli-

gently leading us, as does Dickens,

it leaves much, much more.







# The sorry tale of two 'Shrews'

Alastair Macaulay defends Shakespeare's comedy against misintepretation and cheap characterisation

the grey, laborious slowness of her versespeaking, the near-immobility of her torso and face, and the heavy way she underlines her every stroke of characterisation - darkly forces all the love and sincerity and self-discovery she can out of the lines: which she firmly addresses in turn to the widow, then to her sister, then finally and transcendently to her husband, making us feel that she and he are the only two large-spirited people in the play.

Not so Simon, who never lets her artful-ness drop for a second: the play's crown-ing speech about wifely submission becomes nothing but a superficial exercise in rhetoric, over-emphatic and self-eatisfied, designed to lull Petruchio into cucketruchio's trunk-size backpack. oldry. (At the end, she finds her rille But in the final act Lawrence – for all again, shoots in the air, and brings down ... a pair of cuckold's horns that descend onto his head from on high.) Simon never really characterises Kate; she merely gives us an actressy collage of impudent effects.

Both Edwards and Maniutiu show how inconvenient they find Shakespeare's text. Edwards adjusts the Christopher Sly prologue, making him a deadbeat Georgian drunk who abuses his wife; then turning them into Petruchio and Kate for the play proper, then adding an epilogue in which Christopher/Petruchio abases himself before his wife, Maniutiu cuts Christopher Sly altogether, and thits much of the main play too (even Petruchio's wonderful "Say that she rail, wby then I'll tell her plain She sings as sweet as any nightingale"), and yet he adds so much knockabout busithan the RSC's three hours. Edwards' play occurs in Padua but in a

mixture of periods - with codpieces, mopeds, winklepickers, Elizabetban gowns, and a Fiat. Maniutiu's is equally transhistorical and considerably more transcultural; it includes "God save the Queen", rap. codpieces within trousers, boxes of chocolates, and Kung Fu. Kate fires everywhere with that damned gun at her wedding - and then faints when Petruchio dangles a giant rat in front of ber. Yes, it is that kind of production: clutching desperately at any joke rather than trust the text.

The RSC staging abounds in cheap characterisations. Talented young Mark Lock-yer, wasted in the role of Tranio, gives a

sums up the whole show, a sub-Presley spiv who takes Ventolin in moments of panic. At Leicester, however, characterisation is merely an occasional device. suspended by one and all in the pursuit of gags. Nonetheless, young Richard Cant -recently acclaimed as Adam and Audrey in Cheek by Jowl's As You Like It - is a funny and personable Lucentio, with his happy, blank, trusting face and his wide, thoughtless mouth. The Leicester Petru-chio is James Macpberson, a performance of amiable if unarresting simplicity.

The only outstanding performance in either production, bowever, is the RSC Petruchio of Michael Siberry. His very voice - with its chest tones so inimitably

ness that the play lasts 15 minutes more facile but super-bright performance that natural vibrato - is at once leonine and urbane. He has robust, radiant, relaxed, virile charm; any occasional touch of harkat me hamminess is entirely in keeping with his braggadoccio character. It would be good to see his virtues brought to bear on Richard III; or Mark Antony; or Oberon.

His performance apart, bowever, it is true to apply to this play the rueful remark the critic David Vaughan once made about Swan Lake: the worst Taming of the Shrew is the one you are watching.

The Taming of the Shrew is in RSC repertory at the Royal Shakespeare Theatre, Stratford-upon-Avon, for the rest of 1995. and continues at the Leicester Haymarket focused in the mask of the face, and its until May 13.

### The Killing of Sister George

into the pathetic core of one lesbian infatuation. Elsewhere in that show, admittedly, Margolyea showed a few signs of actressy cuteness; but because nothing in the show was coy, they counted for little. Now, however, perhaps because of her great popularity on American TV, she has allowed cuteness to predominate. Cuteness, and insincerity, and bad discipline.

The character Margolyes plays is June Buckridge, actress. Buckridge in recent years has won a national following as Sister George, the district nurse on a radio soap opera (shades of Mistress Niven, the district nurse in Doctor Finlay's Casebook, who once herself went down with foot and mouth disease). Buckridge, in private life a leahian cohabiting with Alice "Childie" McNaught, has become personally so involved in the character she plays that she likes her girlfriend to call her "George". The fear, and then the news, that Sister George is about to be killed off and written out of the series breaks her up; and the strain this puts on her relationship with "Childle" leads to their

Tha play has its clichés (an exotic palm-reading neighbour Madame Xenia, the way George lets a letter of bad news flutter to the floor, and so on) and its neat shortcuts (we are asked to believe that Mrs Mercy Croft is employed by the BBC both as an administrator for the soap opera and as a weekly presenter of a poetry programme). But it has humour, some nice period detail, and some still astounding revela-tions about the home-life of George

Margolyes waits for every laugh; she plays several serious or pathetic lines for laughs alone (including the ending); she endlessly does her favourite trick of stretching her already large eyes; and the way she snaps from prolonged laughter into furious indignation (in one scene with Mrs Mercy Croft) is the epit-ome of cheap "technique" for obvi-ous actorly "effect". Everything is superficially entertaining; nothing comes from the gut.

Around her, Rayment has assembled a bad provincial-rep production. The timing of entrances and re-entrances is ludicrous. Each actress takes the obvious surface of ber role and overdoes it. Stella Tanner'a account of Madame Xenia is especially coarse, and Josephina Tewson's loud gentility as Mrs Mercy Croft is wearying. Serena Evans has some nice moments with Childie's little-girlishness and then repeats them and underlines them. Robert Jones has provided good period designs (but did Covent Garden booking forms look like that in 1965?). The production's most remarkable ingredient is the pair of trousers Margolyes wears in Act Two; I hope they win an award for special effects.

A.M.

At the Ambassadors Theatre, WC2.

### A Word from our Sponsor

#### Antony Thorncroft reviews Ayckbourn's dark musical

Te are in the near future, in Clockwork Orange-land. You have to wait your turn for a fire engine and, to thwart young robbers seeking drugs, chemists only sell hand creams and enemas. Alan Ayckbourn's mood has been darkening for sometime now but his latest play, A Word from our Sponsor, finds him at his bleakest. To

make matters worse, it is a musical. The usual Ayckbourn suspects a clueless vicar, a repressed spinster, an alienated teenager, a gormless chemist - are planning to produce a nativity play to cheer up the community. Their venue is a rail-way station, long bereft of trains apart from the passing expresses. All they need is a sponsor. The vicar (Peter Forbes, ineffably

vacuous) prays for a miracle, and, amazingly, in what bad been a creaking evening, gete one. Through a puff of phantom steam a devil appears, or rather two lively matching imps, male and female.

wbo offer to cough up the cash - for a little artistic input. Can Ayckbourn be writing about the evils of business sponsorship of

the arts? Surely not, since his pet venture, a £5m conversion of the local Odeon cinema into a new theatre to open oext spring, has been supported by local businessmen. There may be many instances of the devil at work in contemporary society but arts sponsorship is surely not the most blatant. Sponsors are generally in awe of artistic people. But having saddled himself with an inane plot, Ayckbourn is enough of a pro to gloss over the nonsense. There are nice touches, like the instant playback of the musical numbers and gratefully received echoes of a sunnier Ayckbourn ego clashes of the amateur cast.

play, Chorus of Disapproval, in the In this case the devils, sharply played by Kate Areneil and Dale Rapley, really do have the best of John Pattison's tunes, which tend to tinkle along in a happy-clappy

youth club sort of way. There is also a sympathetic performance from Sophie Winter as Gussie, surprisingly in love with the married vicar who finds it impossible to express his feelings.

Less a fight between good and evil, this is more a tussle between two plots. The devils' surprisingly ineffectual attempts to take over the nativity play shares the action with the personal tangles among the cast, whose cupboards are stuffed with skeletons. Viewed as work in progress

before an eventual exposure in London, A Word from our Sponsor has possibilities. But the current version, with uninteresting characters. an unnecessarily bleak background and a fatally shallow premise, is crying out for some Ayckbourn style, wit and insight. Since he is also the director there is little to stop a radical re-write.

At the Stephen Joseph Theatre, Scarborough.

# INTERNATIONAL.

#### ■ AMSTERDAM

OPERA/BALLET Het Muziektheater Tel: (020) 551 89

8pm; May 5

#### ■ BRUSSELS

CONCERTS Beaux-Arts Tel: (02) 507 82 11 Tel: (02) 218 2211 Idomeneo: by Mozart. A new production conducted by Philippe lerreweghe and produced by Joël Lauwers, Soloists Include Jorma Silvasti, Mathias Zachariasson; and Maria Bayo; 7.30pm; May 2, 4

#### **■ FRANKFURT** CONCERTS Aite Oper Tel: (069) 1340 400 Radio Symphony Orchestra

Frankfurt: Andrew Litton conducts Elgar, Walton and Britten/Dowland; 8pm; Apr 28 ....

#### **■ LONDON**

CONCERTS Barbican Tel: (0171) 638 8891 English Chamber Orchestra: with violinst/director lasac Stem and . director Paul Berritt plays Tchalkovsky, Bach, Stravinsky and Mozart, 7.30pm; May 3

Grand Classical Gala: Martin Merry conducts the National Symphony Orchestra in a programma that includes Verdi, Orff, Strauss and Ravel; 7.30pm; Apr 30 Isaac Stem: violinist with planist Yefim Bromman plays Mozert, Janáček, Schubert and Bartók in a

celebration of Stem'e 75th year, 7.30pm; May 4 Puccini Gala Night: Paul Wynne Griffiths conducts the London Concert Orchestra with sooranos Christine Teare and Clare Rutter, and tenors Adrian Martin and Julian Gavin for an evening of Puccini highlights, 8pm; Apr 29 Royal Festival Hall Tel: (0171) 928

 Gala Concert: The London Philharmonic and Royal

Philharmonic Orchestra, Sir Georg Softi conducts Beethoven's "Symphony No.7" and Bartók's "Concerto for Orchestra"; 7,30pm; May 2

 Philharmonia Orchestra; with violinist Anne-Sophie Mutter. Serryon Bychkov conducts Hindemith, Rihm and Beethoven: 7.30pm; May 3

■ The Michael Nyman Orchestra:

with harpsichordist Elizabeth Chojnacka and mezzo-soprano Hilary Summers. World premiere of the orchestra brought together especially for the Nyman series which includes the premiera of "Carrington"; 8pm; Apr 29 GALLERIES

Serpentine Tel: (0171) 402 0343 Take Me (I'm Yours): a unique opportunity to touch, use, test, buy or take away the objects in this exhibition that has been selected by Swiss curator Hans Ulrich Obrist; to May 1

OPERA/BALLET English National Opera Tel: (0171) 632 8300 Don Giovanni: e new production

of Mozart'a opera. House debuts for director Guy Joosten and conductor Markus Stenz; 7pm; Apr 29 Royal Albert Hall Tel: (0171) 589

• The Masked Ball: by Verdi. Conducted by Edward Downes, directed by Patrick Young and with soloists Deborah Vokoht: Lillian Watson and Luciano Pavarotti; 7.30pm; May 1 Royal Opera House Tel: (0171) 304

4000 Mixed Programme: a Royal Ballet production that includes a new production of the Sir Frederick Ashton's "Rhapsody" and the world

premiere of a new work choreographed by William Forsythe to the music of Willems; 7.30pm;

Apr 29 (7pm)

The Masked Ball: by VerdL Conducted by Edward Downes, directed by Patrick Young and with sololsts Deborah Volght, Lillian Watson and Luciano Pavarotti: 7.30pm; Apr 28

THEATRE Barbican Theatre Tel: (0171) 638

 A Midsummer Night'a Dream: by Shakespeare. Directed by Adrian Noble; 7.15pm; May 5 Twelfth Night by Shakespeare. Directed by lan Judge; 7.15pm; May 1, 2, 3, 4 (2pm)

#### ■ NEW YORK CONCERTS

Alice Tuffy Hall Tel: (212) 875 5050 New World Symphony: Michael Tilson Thomas conducts Ives, Dahl, Bach and Copland; 8pm; Apr 29 Avery Fisher Tel: (212) 875 5030 American Symphony Orchestra: with conductor Leon Botstein, tenor Thomas Young, baritone William Sharp and the New York City Gay Man'a Chorus in a programme celebrating the 50th anniversary of the founding of the United Nations; 3pm; Apr 30

 New World Symphony: Michael Tilson Thomas conducts Mahler and his own "Diary of Anne Frank"; 8pm; Apr 28 Camegie Hall Tel: (212) 247 7800

 Boston Symphony Orchestra: with soprano Sylvia McNair. Selji Ozawa conducts Ravel, Schoenberg and Berlioz, 8pm; Apr 28 Murray Perahia: piano recital; 8pm; May 2

 The Cleveland Orchestra: soloists include sopranos Margaret Jane Wray and Christine Goerke. Robert Shaw conducts Mahler's "Symphony No.8"; 8pm; May 4 (7.30pm), 5

#### PARIS CONCERTS

Châtelet Tel: (1) 40 28 28 40 Daniel Barenboim: pianist and conductor with the orchestra of tha Deutsche Oper Berlin in a programme that includes Beethoven; 8pm; Apr 28

Champs Elysées Tel: (1) 49 52 50 National Orchestra of France: with soprano Anne-Sophie Schmidt and mezzo-soprano Jocelyne Taillon. Charles Dutoit conducts a

concert performance of Debussy'e "Pelléas et Mélisande"; 8pm; May 4 GALLERIES American Center Tel: (1) 44 73 77 Micromegas: works by European

and American artists reflecting on scale and size; from Apr 30 to Jun 4 Musée d'Orsay Tel: (1) 45 49 11 11 ■ James McNell Whistler: exhibition of works; to Apr 30 OPERA/BALLET Opéra National de Paris, Bastille Tel: (1) 47 42 57 50 Iphigénie an Tauride: by Gluck. Conducted by Graema Jenkins, produced by Achlm Freyer. Soloists include Carol Vaness and Keith

#### Lewis; 7.30pm; May 4 VIENNA

CONCERTS Gesellschaft der Musikfreunde Tel: (1) 505 13 63 An Evening with Agnes and

Ruggero: mezzo-soprano Agnes Baltsa and bass baritone Ruggero Raimondi are accompanied by planist Ronald Schneider to play Liszt, Brahms, Ibert, Revel and

Rossini; 7.30pm; May 3 Budapest Festival Orchestra: with pianist András Schiff. Ivan Fischer conducts Bach, Bartók and Beethoven; 7.30pm; May 2 Viennese Mozart Academy: with

clarinetist Peter Schmidl, Yehudi Menuhin conducts Mozart, Part and Shostakovich; 7.30pm; Apr 29 Viennese Symphony Orchestra: with soprano Gabriela Benackova-Cap and tenor Siegfried Jerusalem. Georges Prêtre conducts

Schoenberg and Beethoven; 7.30pm; Apr 28 Kunst Haus Wien Tel: (1) 712 04 91 Jean Dubuffet: retrospective with

#### more than 140 works: to Apr 30 **■ WASHINGTON**

CONCERTS Kennedy Center Tel: (202) 467 4600

 National Symphony Orchestra: with pianist Tzimon Barto. Zdenek Macal conducts Ott, Grieg and Brahms; 8.30pm; Apr 28, 29; May 2 National Symphony Orchestra:

with violinist Joshua Bell, Richard Hickox conducts Brittan, Ravel and Beethoven; 8.30pm; May 4, 5 Philadelphia Orchestra: with planist Mitsuko Uchida, Wolfgang Sawalfisch conducts Berger, Beethoven and Brahms; 7.30pm;

WORLD SERVICE BBC for Europe can be on Medium Wave 648 kHZ (463m)

EUROPEAN CABLE AND SATELLITE BUSINESS TV (Central European Time) MONDAY TO FRIDAY

NBC/Super Channel: FT Business Momina

10.00 European Money Wheel Nonstop live coverage until business and the financial

Financial Times Business Tonight

markets

Midniahi Financial Times Business

The G7 - comprising the US, Japan, Germany, France, Britain, Italy and Canada lived down to the expectations of financial markets when it eschewed short-term "quick fix" measures to reverse the dollar's fall.

But by late Wednesday, finance ministers from the industrialised, developing and former communist countries were able to agree on some useful improvements to the International Monetary Fund's early warning system, in an attempt to reduce the chances of another potentially destabilising financial crisis of the kind that engulfed Mexico four months ago; the IMF's 24-member policy making Interim Committee agreed a five-point programme to improve IMF surveillance of member states

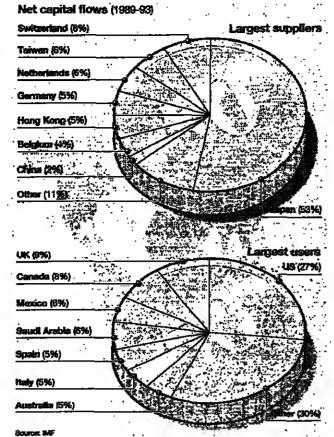
The G7, by contrast, appeared divided on the top da item of currency turmoil. While stating that recent currency movements had been excessive and expressing a wish for their "orderly rever-sal", the G7 effectively admitted that market forces were now too strong to be resisted by intervention on currency markets, and that the G7 had been unable to muster the political will for co-ordinated

It is therefore tempting to suggest that some significant change has taken place in the pattern of international economic policy co-operation this week. Could it be that the G7's influence is on the wane, and that the Interim Committee is taking its place as the preferred forum for co-operation?

Such a scenario has attractions for many countries. The Interim Committee, indirectly representing all 179 IMF members, can claim to reflect their diverse interests. Many find irksome the G7's self-appointed role as the globe's premier economic grouping.

Mr Philippe Maystadt, the Belgian finance minister and chairman of the Interim Committee, has sought to boost the committee's role in international economic policy making. Although an acrimonious row - over plans to boost global through an issue of Special Drewing Rights (the IMF's reserve asset) - grabbed

Currency boat rocked: where the money goes



### The few and the many

Peter Norman asks if the G7 is being eclipsed by the IMF's 24-member Interim Committee

the headlines at last October's interim Committee meeting, Mr Maystadt was able to get the 24 members to agree a "Madrid Declaration" on co-operation to strengthen the current global economic recov-

This week, he instituted a review of the declaration and the policies adopted to secure growth. In so doing, he quietly increased the Interim Committee's role in the multilateral surveillance of IMF member states' policies.

The Belgian minister has tried in other ways to make the Interim Committee a forum that finance ministers from industrialised countries take seriously. He has tried to make the discussions less scripted and more informal and instituted a long working lunch in

which policy decisions can be thrashed ont.

To some extent, it is logical that the G7 should appear in eclipse. The world has changed since the mid- to late 1980s when the industrialised countries were actively seeking to influence exchange rates and each others' economies through high profile international accords such as the Plaza Agreement of 1985 to the depress the dollar and the 1987 Louvre Accord to stabilise cur-

For nearly 20 years, the developing countries as a group have grown faster than the big industrialised countries, increasing their importance in the world economy. At the same time, the G7 nations have diverged in several

The illustration accompanying this article shows how Germany and Japan among the G7. countries have been significant exporters of capital in recent years while the US, Britain, Canada and Italy import capi-tal. It is no coincidence that the division between stronger and weaker G7 currencies follows the same pattern.

But it is too early to write off the G7. Its members may differ and sometimes squabble among themselves but, once a policy has been discussed, they usually present a united front to the rest of the world. The compact nature of the group in contrast to the 24-member Interim Committee has contributed to a more pronounced esprit de corps, as does the fact that the G7 meets three or four times e year, whereas the committee meets only twice.

As Mr Theo Walgel, the German finance minister, argued this week, it is also a mistakė to judge the G7 solely in terms co-operation on currency arkets. The group co-operates in other areas ranging from economic support for Russia to the combatting of drug trafficking and money laundering:

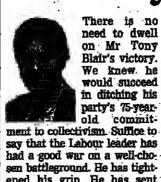
or should the Interim Committee'e agreement to strengthen IMF surveillance be overstated. The build up to the Mexican crisis, which unearthed failures in the IMF'e monitoring procedures, made such a move almost inevitable. Indeed, the Interim Committee could have gone further and given the five-point plan more teeth. Proposale from Mr Kenneth Clarke, the UK chancellor, for the IMF to list those countries which meet its standards on the provision of economic data and for the creation of a spe-cial "evaluation unit" to investigate IMF errors failed to

In spite of Mr Maystadt's efforts, the Interim Committee is hampered by its narrow remit that ties its activities to

The G7, meanwhile, still finds it difficult to involve other nations in its work, Symptomatic of its strengths and weakness is the group'e epproach to the June summit eting of G7 heads of state in Halifax, Nova Scotia. Although reform of the post-second world war international institutions, including the IMF and World Bank, looks set to top the egenda, the G7 nations have not seen fit to consult with or involve the other members of the IMF and World

### Philip Stephens

# Tony Blair's good war



ment to collectivism. Suffice to say that the Labour leader has had a good war on a well-chosen battleground. He has tightened his grip. He has sent packing those trade union leaders who tried to extract a price for their support. Mr Blair, we have learned, has a healthy aversion to smoke-filled rooms. No one is going to get excited about the new Clause 4. Rumour has it that a copy will drop through the letterbox of every voter in the land before the next election. But do not hold your breath. Its wholesome, badly edited prose about opportunity, tolerance and the rest is for the chattering classes. The significance of the text lies in its blandness. It cannot be used as a reason not to vote Labour. 1 imagine that even Newt Gingrich would find

hands of the many than the The exercise has not been a waste of time. It has told us quite a lot about Tony Blair. something about the shape of the party he leads and a bit, though less, about how Labour might govern Britain.

it hard to quarrel with the idea

that power, wealth and oppor-tunity are better placed in the

The most important thing Mr Blair has done is to challenge one of the more fatuous, but persistent, canards of British political dehate: the notion that the social values of the middle classes are divorced from those of the less affinent. Politicians who advocate tougher policies on crime or higher classroom standards are accused nowadays of pander-ing to the prejudices of the

middle classes. The premise is that if you do not take your children to prep school in the back of a Volvo estate, you do not care about crime-ridden streets or hopeless schools. It is an assump-tion, as Mr Blair has reminded his Hampstead critics, born of appalling condescension. It is also plain wrong. By and large, the middle classes can buy their way out of the conse-

the financial consequences are his economic policy. Those of a touch painful. The parents us in the commentating classes who walk their children to the are the softest of touches. A local state primary are the few well-chosen warnings to ones who really worry about welfare scroungers and the odd muggers and bad teachers.

People have short memories. Margaret Thatcher's electoral success was built on her ability to tap the support of these voters. They are called the C2s, otherwise known as the skilled working classes. Remember the C2s? Not so long ago, hefore someone invented a mythical Middle England, we all used to get excited about how they would vote. They were the ones who bought their council houses and, along with them, Margaret Thatcher'e prospectus. Well, the C2s are still with us; and, once come of the general election.

Mr Blair's pitch, like Mrs Thatcher's, must be to the BT engineer in Stevenage and to a clear idea of what he will do the gas fitter in Basildon - in his Budget, and that is five and. more. importantly, to

their wives, mothers and if not the danghters. For all the excited chatter about which way the middle classes will jump, the votes of the Surrey solicitor =

tion result. The redeployment of this. pretty obvious truth about the preoccupations of the respect-able working classes has allowed Mr Blair to carry with him most (no, not all) of his ehadow cabinet. Take David Blunkett, the education spokesman, Mr Blunkett has long been a figure of suspicion among the modernisers. He has never been much impressed by New Labour's sharp-suited imagemakers, But

talk to him about standards in the classroom - or, for that matter, about law and order and Mr Blair begins to sound. the trendy liberal. Mr Blunkett prospered through the state education system; so he knows why it matters. The Socialist Workers Party branch of the National Union of Teachers will soon have a lot more to The C2s are the people Mr

note of concern about the heavy tax burden on teachers or police officers buy plenty of sycophantic column inches. Whatever they tell the opinion pollsters now, real people will

take more convincing that a Labour government would not tax and spend for its own sake. Gordon Brown, the shadow chancellor, hopes to start persuading them otherwise as soon as the Clause 4 debate is out of the way. He has scheduled four big economic policy speeches during May, the first next Monday. Mr Blair will fillin any gaps with two lectures of his own. Neither man \_own. Neither man intends to issue a set of tax tables. Why should they? Kenneth Clarke does not yet have

months, not two years, The rank and file, away. Precise figures . anyway professional activists, are

principles. As e coming round to Mr Blair's realism Mr Brown needs to convince the votand Hampshire stockbroker will be irrelevant to the elecers be eccepts that an overall tax burden of about 40 per cent

of national income is high enough. That is more than they were paying under the last Labour government, and . making the Cedric Browns of this world pay even quite a lot more is not going to pay for many new schools or hospitals. Nor is there any room to increase the structural comporowing requirement. So any extra spending will have to come from savings elsewhere or from future increases in output, what we used to call the

sary hut not sufficient, My guess is that plenty of people would forgo willingly future vice. The vast majority, after all, cannot buy their way out and I suspect Mr Blair know of Virginia Bottomley's NHS it.

quences of social decay, even if Blair has to persuade also of reforms with privete health insurance or pay for the small classes marketed so effectively by private schools.

But would Lahour do it? Much more likely, isn't it, that, for all his good intentions, Mr Blair would not he able to resist caving in to the union leaders? They will want some thing for their money once he is in 10 Downing Street.

Which brings us to the shape of the party Mr Blair leads. His victory at tomorrow's special conference will be resounding because he has secured the overwhelming backing of local parties. In constituencies which have held ballots, the prochange majority has averaged more than 80 per cent. Save for a tiny handful, those delegates voting to retain the old Clause 4 come from areas where local members have been denied a say. The rank and file, if not the professional activists, are coming round to Mr Blair's realism

The bandwagon among indi-vidual members also ensures him a majority among the union delegations et the con-ference. They still wield 70 per cent of the total vote, compared to the 30 per cent held by local parties. The two biggest delegations, from the TGWU and Unison, may well underline their contempt for their own members by voting to preserve the past. But most of the other unions will be shrewd enough to back Mr Blair.

.The process, though, provides a reminder of one of life's simple rules. Change has e momentum of its own: it demands more change. The structure of the Labour party is as outmoded and irrelevant as the original Clause 4. The unious' domination of its instinent of the public sector bor- tutions and the demand for state ownership were born at understandable hut misplaced assumption; that labour would remain in permanent conflict

with capital Now, the —albeit theoretical - power of a few union leaders to overturn the decisions of hundreds of thousands of inditax cuts if they were confident vidual party members speaks that the money would be spent as eloquently as did the words efficiently on better schools or of Sidney and Beatrice Webb, on improving the health ser of the need for change. Tomorrow can only be the beginning;



Whoever gats through long meetings and follow the call of tha lor oriental bargaining At KEMPINSKI, Where

# SUCCESSFUL



#### KEMPINSKI HOTEL CIRAGAN PALACE ISTANBUL

Berlin, Bombay, Brussels (1997), Budapest, Buenos Aires, Dallas, Oresden, Frankfurt, Hamburg, Hong Kong, Istanbul, Jakarta (1997), Leipzig (1996), Montréal, Moscow, Munich, San Francisco, Santiago, Warsaw (1997).

Global Partner of Doslt Notela & Resorts

Make your reservation by calling 0130 - 3339 or by contacting your travel agency or Lufthansa

### LETTERS TO THE EDITOR

Number One Southwark Bridge, London SE1 9HL We are keen to encourage letters from readers around the world. Letters may be faxed to +44 171-873 5938 (please set fax to 'fine'). Translation may be available for letters written in the main international languages.

#### Notions offer a competitive advantage

From Jonathan Gosling,
Sir, Victoria Griffith has
recently drawn attention to
long overdue changes in US
husiness schools curricula ("Re-engineering for husiness schools", April 7). Greater emphasis on leadership, inter-personal relations and individual reflection recognise that management is as much about the way things are done as about deciding what should be done. The changes bring the 'Administration' back into MBA, where for so long the 'A' has stood for 'Analysis'.

They may reflect a funda-mental shift in thinking about education towards "character building" and away from "knowledge filling". There is a third kind of busi-

ness education beginning to find expression in the UK. This is typified by Lancaster Uni-versity's MPhil in Critical Management. Participants study how organisational and busi-ness problems are framed and constructed; the distribution of power through discourse and tions of causality in contrast to dominant linear scientific modes of thinking. That might seem like an overly philosophical and cerebral approach, hut it focuses the reasons why so many apparently attractive models and techniques prove in the end to be mere fads, masking the ambiguity and complexity that is the real stuff of managerial work. Exec-utives on the course find it a relief to be able to think about their way of thinking, rather than urged to adopt the latest fashion. That approach also opens up the ethical aspects of managerial decisions and

Re-engineering the produc-tion-oriented business schools is a good idea; examining what makes ideas good is also worthwhile, and is a peculiarly British innovation (though there are already signs that Japanese schools are moving in the same direction). It might be termed "The Competitive Advantage of Notions". Jonathan Gosling,

senior fellow. The Management School, Lancaster University, LA1 4YX

### World Bank and IMF should write off debt of the poorest countries most pressing World Bank debt sion against losses of \$3.3bn. A quarter of the debt owe by the Silics – which include Rwanda, Vietnam and Nicara gua – is owed to the multilate and sales plan for IME debt.

From Mr Paul Spray.
Sir, The US suggestion ("World deht crisis facility proposed", April 25) for yet another forum to tackle Third World indehtedness may do some good. A much more practical step would he for some of the debt owed to the World

Bank and IMF by the poorest countries to be written off.
The 32 Severely Indebted
Low Income Countries (Silics) owe as much as \$26bn (£16bn) to the World Bank. But the

gold sales plan for IMF debt. should be supported and some-thing like the "Naples Terms" are needed for World Bank

deht.
Officials and bankers admit
privately that the World Bank
could and should write off large chunks of debt. It has

A quarter of the debt owed by the Silics – which include Rwanda, Vietnam and Nicara-gua – is owed to the multilateral institutions. Robert Rubin. US Treasury secretary, should urge the bank and the fund to tackle this particular debt burden without delay. Paul Spray, campaigns and policy director, Christian Aid,

PO Box 100. reserves of \$14.5bn and a provi- | London SE1 7RT; UK

#### Defensive attitudes across the Channel are holding back UK's electricity companies

against obstructive utilities is good news for British electric-ity businesses ("EU showdown over energy", April 8). Experience in Britain has

shown that over-manned, stateowned electricity boards can he turned into competitive

companies' ability to exploit their experience in the market closest to home has been held back by defensive attitudes across the Channel.

Of course, cosy utilities do not like the idea of intruders

he turned into competitive companies. Just as important, as recent reports show, that is good for customers, too ("Big have to be invoked to companies."

Into the design of introders competitive having access to their networks, but it is disappointing that the Treaty of Rome may have to be invoked to competitive.

Association of Independent Producers, as recent reports show, that is have to be invoked to competitive.

From Mr David Porter. Sir, The report that Europe's competition commissioner may act Unfortunately, our electricity overcome their resistance. It would be better if customer pressure made legal action unnecessary - but which customers are prepared to challenge their monopoly power providers?

> David Porter. chief executive, Association of Independent Electricity Producers,

#### Freedom of choice for students would reform UK's universities

From Mr Alasdair Smith. Sir, Your leader "University reform" (April 24) rightly argues that university funding should come from student fees (with state loans available) rather than directly from the state. But then you lose confidence in the disciplines of the market and edvocate tougher government direction to protect vocational education.

The nature of universities is such that managers, hoth internal and external, have limited control over the alloca-tion of effort by academics. Without the right incentives, institutions will be run in the interests of teachers, rather than students.

At present, the pay and prestige of individual academics is little affected by the quality or relevance of our teaching, with the result that we try to allocate as much time as possible to research rather than to teaching, and to teach the Brighton BNI 9QN

things we like to teach rather than the things our students want or need to learn. The sys-tem displays the "mission drift" you deplays the character.

An increase in the already oppressive degree of government regulation of universities is not, however, the solution. Much better to give students full freedom of choice as to where to take their custom and their fees. Then those who do a good joh of meeting student

needs can be properly rewarded for their efforts. Those who are capable of delivering high-quality research can earn their incomes in that way. The diversity of needs will be reflected in institutional diversity only if decision-making is in the hands of consumers, rather than in the hands of producers or bureaucrats.

Alasdair Smith, Sussex European Institute, University of Sussex, ...

#### Truth and the dollar

From Mr General Legrain.
Sir, Your leader ("Trnth abont currencies". April 22) was refreshing. Politically correct journalism is as had for democracy as for grey weekends. A pity, though, that you chose France (!), the UK (!!), and Italy (!!!) as benchmarks to establish US financial integrity. I thought the markets had rity. I thought the markets had chosen the mark and yen as foul-weather alternatives. Although US financial behaviour, public and private, is not commendable across the

a Secretary

100 Cart 100

Pusuits

The last the

40

Erge King

to the same of the

the Danek

the has de the though though

then to arbitrarile

And the state of t

board, the problem is that, for the long haul, the dollar is proportionately too hig e currency not to play a prominent role. Less than ideal benchmark it may be, but benchmark it will remain until there are durable (ie. hig) alternatives – a single European currency for Gerard Legrain

88 Lansdown Road, ... London W11 3LS, UK

HDHOR

NH SHARRING

prest countries

THE TENES I PROPERTY APPRILA

#### FINANCIAL TIMES FRIDAY APRIL 28 1995

Number One Southwark Bridge, London SEI 9HL Tel: +44 171-873 3000 Telex: 922186 Fax: +44 171-407 5700

Friday April 28 1995

FINANCIAL TIMES

### Priorities in world trade

On Monday, Mr Renato Ruggiero, will take over as director-general of the World Trade Organisation (WTO). He inherits from his predecessor, Mr Peter Sutherland, the fruits of the successfully com-pleted Uruguay Round. That achievament has done much to strengthen the credibility of the liberal world trading system. For all that, Mr Ruggiero and the WTO face big challenges. Not least among these is an incontinent enthusiasm for free trade arrangements (FTAs).

Recently, Mr Klaus Kinkel, the German foreign minister, argued that the next step after the round should be the establishment of a Trans-Atlantic Free Trade Area (Tafta), to bind the two continents' destinies and provide momentum to the next wave of global trade liberalisation. This proposal follows on the beels of a meeting of the Asia-Pacific Economic Co-operation forum (Apec), in Indonesia in November of last year, when the group committed itself to free trade by 2020, with the industrial countries commit-

ted to reach that goal by 2010. These are momeotous ideas, as Mr Ruggiero promptly recognised in response to Mr Kinkel's advocacy of Tafta. Mr Ruggiero even admitted that be bad favoured such proposals when Italy's trade minister in the late 1980s. But be now fears that efforts to create a free trade area would distract US and European Union attention from the multilateral system and could be internationally divisive. This it certainly would be, not least by excluding Japan.

#### Desirable aims

The doubts are not about whether something should be done to reinforce transatlantic relationships or, in the case of Apec, those between the US and Asia. Both aims are desirable. Nor are all FTAs to be condemned. They can be - and, according to a report from the WTO secretariat this week, often have been - com-plementary to multilateral liberal-isation. The growth in the number of these arrangements - to a total of 108 at the end of 1994, 33 of which have been notified during the 1990s - has, it appears, not prevented inter-regional trade more important in

should, instead, he focused on those arrangements that would cover all the main trading powers. Any FTA or customs union pro-vides the benefit of lower internal barriers to trade and imposes the cost of discrimination against ontsiders. Discrimination creates economic costs. FTAs, in particular, impose often complex and protectionist rules of origin. Discrimina tory arrangements also impose political costs: they anger those left outside, while the negotiations

#### Incentive for outsiders

from other objectives.

divert limited diplomatic capacity

Preferential trading arrange ments do create an incentive for outsiders to negotiate global liberalisation, with a view to reducing the effect of the discrimination upon them. But they also create an incentive for insiders to preserve their discriminatory advantages. Thus, in essays about to be published by the American Enterprise Institute, Professors Jagdish Bhagwatt and Anne Krueger, both distinguished international economists, argue that the discriminatory lowering of trade barriers may be globally harmful.

Fortunately, hitherto most such

arrangements have had only hmited effects on the rest of the world. That should be true even when one of the participants is itself a great trading power, as in the North American Free Trade Arrangement (Nafta). But Apec and Tafta are different to kind, because they are different in degree. The former covers over 40 per cent of world trade; the latter more than half; and the two together 80 per cent. The negotiations within either of these groupings would cover all significant issues and players. What would be left for the WTO? What could be the feelings of those left out of either, let alona botb?

If two groupings that contain almost all of the world economy are prepared to talk of free trade, the sensible option must simply be global liberalisation. The question should therefore not be what the members of Apec, still less the EU and US, can do with one another. The role of the transatlantic alliance in the post-cold war era should be to promote global liber-alisation, not fall into the snare of national economies throughout an exclusively bilateral relation-

### Most of us will be losers

All of us will be winners, Mr John Major, the prime minister, declared before the start of the National Lottery. There was never much ground for that assertion; there is less now. A second observation, that "the combination of millionaire winners and buge benefits to good causes is immensely attractive" looks similarly implausible. After 23 weeks, the lottery's unattractive features are glaring.

The UK'a lottery has followed the pattern of those to other countries in being highly regressive, in the sense that most of the revenues are raised from the least well-off in society. In the UK's case, more than three quarters of tickets are bought by the lowest

socio-economic groups.

The manner to which the proceeds of the UK lottery are to be spent exacerbates its regressive characteristics. As expected, the people who pay most into the lottery will not be the main beneficiaries. The announcement this week of the first "good causes" which will receive substantial cheques suggests that the chosen projects will be of most interest to tha well-off.

Indeed, it is hard to see how tha selection could have got off to a less populist start than the £9m purchase of a Scottish bunting lodge and grouse moor, and the £13.25m purchase of Sir Winston Churchill's historic speeches and papers. In both cases, lumps of the cash went to private individuals. In the Churchill case, the trustees' right to some of the papers had already been the subject of legal challenge by the govarnment, although Mr Major told parliament yesterday that ownership was not in doubt.

#### Irrational pursuits

The spectacle is likely to be repeated. Over the next seven years, the lottery is expected to raise 19bn for such causes. Panels of the great and the good will decide its destination. The task of squaezing large amounts of money, mostly in small parcels, into arts, beritage, sports, and projects to celebrate the millenium, will lead to arbitrariness, intense lobbying of the panels, and inevi-

The lottery has diverted considtably, to waste. erable sums from rival gambling outlets, even though the odds against winning the jackpot - of 14m to one - are much higher than those in many other kinds of gambling. It appears that the nature of people's irrationality makes the lottery more of a natural monopoly than was suspected: people seem to prefer a one in a million chance of winning £1m, than a one in a hundred chance of winning £100.

Perhaps most important, it has sucked money from direct charitable contributions. People appear to feel that because part of the lot-tery proceeds go to charity, their consciences are assuaged. The long term impact is not yet clear, but despite the lottery's own donations to charity, some charities

will undoubtedly suffer.

The lottery, and the televised announcement of the winning numbers, clearly gives pleasure to many people. If they want to spend money on irrational pur-suits, they should be allowed to do so. But the past week's events confirm the case, voiced by many before the lottery's launch, that the manner of doling out the proceeds should be changed. Entrusting the fate of such largesse to the great and good is unacceptable.

#### Televised poll

One option would be to return all the proceeds, apart from the share taken by the lottery organisers and tax, to punters. That would at least not give them the false comfort that they were satisfying their charitable inclinations through buying a lottery ticket. Another would be to treat the lottery explicity as a tax, and pour the proceeds into public finances.

Those options would no doubt prove unpalatable to politicians, in that they would expose the true nature of the lottery: a mixture of folly, greed and entertainment. If part of the proceeds must be hypothecated to good causes, one answer is to specify the beneficia-

ries more clearly in advance. Another solution would be to find a more democratic way of deciding what most deserves the cash. A televised poll of people's views on possible projects would help introduce the missing populist element. Without that note, the sight of large sums pouring into causes of dubious merit may turn public sentiment against the

### t seems a long away from the neatly cultivated flatlands of north Germany and the hreezy, multilingual bonbo-mie of a small Nato exercise, to the hills of Bosnia-Hercegovina where war is conducted witbout

recourse to rulebooks or plans.
Yet that distance was narrowing this week as Nato chiefs fine-tuned their contingency plans for a possible evacuation of the UN's 20,000 peacekeepers from the Bosnian war

The expiry this weekend of a four month truce between the warring factions and the near collapse of international attempts to bring peace to Bosnia have presented all countries involved in the region with a grim choice: between the risks of staying and the risks of leaving. General Michael Walker, the Brit-

isb commander of a mobile land beadquarters that would be at the centre of any withdrawal, stresses that no decision to pull out has yet been taken. He believes that "the UN is doing an amazing job" in relieving Bosnia's bumanitarian plight, and hopes it will continue that job as long as possible. But to be on the safe side, Gen

Walker has spent the past three weeks schooling his forces in the art of dismantling, packing and rap-idly reassembling a command centre with enough equipment to coordinate an army of 100,000. We bave undertaken contin-

gency planning for Bosnia," the general says, choosing his words carefully. The plan is developing on a continuous basis, and it will be kept up to data as the situation

In practice, the number of Nato troops required to extract the UN from Bosnia would be closer to 40,000, according to military plan-ners. But that would still amount to the toughest military mission in Nato's history.

Apart from the operational haz-ards, a contested pull-out from Bosnia would conjure up a nightmarish brew of legal and diplomatic problems, Planners assume that disputes among the allies over com-mand, control and intelligencesharing would melt away in the face of an overwhelming challenge. But only experience will show whether that happens in the heat of

a Bosnian pull-out.

Nato commanders have insisted that their organisation must be in undisputed command of the pull-out: the much-resented dual key under which the UN and Nato have shared responsibility for air power in Bosnia would disappear. But the whole idea of amicable co-operation between UN and Nato requires an enormous leap of faith, after a year in which the two organisations have quarreled repeatedly over tactics in the former Yugoslavia.

# Bosnia's nightmare brew of problems

Bruce Clark and Laura Silber on the grim choice for peacekeepers between the risks of staying or leaving



Tricky legal questions could arise over the status of UN forces during the pull-out. Apart from the troops of eight western countries, there is a contingent from Russia which has always looked to Moscow for instructions. There are also troops from Moslem states such as Pakistan, Bangladesb and Malaysia which make no secret of their sympathy with the Bosnian government and might want to stay.

Yet in spite of the difficulties, talk of bailing out has grown louder in recent days. France, infuriated by the cold-blooded killing of two of its soldiers in Sarajevo, has reiterated warnings that its contingent may withdraw unless conditions can be made safer.

Russia, too, is reviewing the future of its peacekeepers in the Serb-held outskirts of Sarajevo. And the UK has served notice that it wants to give up by September the Gorazde, one of the "safe areas" for Moslems which the Serbs would certainly seize if fighting were

Senior diplomats from the "contact group" - the US, Russia, UK, France and Germany - will meet in Paris today for a last-ditch effort to extend the ceasefire. This crumbled in March when the Bosnian government forces launched a series of offensives, and the Serbs tightened their grip on Sarajevo. in those offensives, government troops have captured the strategic beights of Mount Vlasic in central Bosnia, gained some ground on Mount Treskavica, south of Sarajevo, and harassed Serb forces in the vital corridor which links Serbla with its kinsmen in Bosnia and

US officials have expressed fears that the formal end of the ceasefire on Monday will open the way for a large-scale counter-offensive by the Bosnian Serbs. Other experts discount the possibility of a rapid surge in fighting the Serb forces are over-stretched and short of fuel, while the forces of the Moslem-led government are still short of beavy weapons and dependent on a fragile relationship with their Croat part-

But even if all-out war can be staved off for a few more months, it will only be because the warring parties are restraining themselves, for temporary and tactical reasons. The ability of anybody else to restrain them is doubtful.

Whatever the outcome of today's meeting in Paris, it is clear that the warring factions have become less amenable to pressure from outside powers, which are finding it much harder to agree among themselves. Ill-concealed bickering over the stance the contact group should adopt towards Slobodan Milosevic, Serbia's president, has highlighted

its members' differing priorities in the Balkans.

The hickering sounds pedantic. Russia says all sanctions should be lifted from Serbia in return for Mr Milosevic acknowledging the existence of Bosnia as a loosely structured "umion" of a Serb entity and and a Croat-Moslem federation.

Washington believes Moscow (and to some extent London and Paris) are too soft on the Serbian leader. The US insists on a tougher offer:

The US insists on a tougher offer: partial relief from sanctions in return for full recognition of the

Bosnian state.
Differences between the contact group may be patched over by intricate word games. But there remains a fundamental gap between the US opinion that Mr Milosevic is a loog-term danger to the stability of Balkans, and the view of London, Paris and Moscow that be is a man to work with.

ensing the world commu-nity's weakness, the Bos-nian Serb leader Mr Rado-van Karadzic has been intensifying pressure on the UN. By refusing to guarantee the safety of flights and vehicles in and out of Sarajevo, he has left the peacekeepers desperately short of fuel. Named as a suspected war criminal by the International Court of Justice this week, Mr Karadzic has less incentive than ever to seek rebabilitation in the eyes of the

world by suing for peace.
Until recently, threats by the UN to abandon the scene and attempts by Mr Karadzic to test the limits of UN patience were dismissed by many observers as moves in the Bosnian game of bluff, But now there is a more serious edge to the

stances adopted by both sides. Previous threats by the UN to pull out have served to extract concessions from the warring factions, which needed the peacekeepers to supply food and fuel to their people and to restrain their enemies. But that tactic only worked in the past as long as the parties – in their hearts of bearts – wanted the UN to stay. Now, the case for retaining the UN is not looking so strong for either the Bosnian Serbs or the Bosnian government.

For Mr Karadzic, a messy UN pull-out could bring the sort of all-out war in which Serbia would have no choice but to come to his aid. On the government side, advo-cates of the war option take comfort from the expected introduction, before May 15, of a bill in the US Congress to authorise the supply of weapons to the Bosnian army.

If it turns out that one or both the warring sides really wants the UN to leave, then the peacekeepers will have no option but to do so, with all the glant diplomatic and military risks that such an operation

### Mystery markers to unmask copycats

estimated 20 per cent a year, is proving disas-

trous for some manufacturers. In 1992, when counterfelts accounted for 5 per cent of world trade, the European Commission estimated they were costing Europe 100,000 jobs a year. The US has claimed that counterfeit goods from China alone are costing US manu-

"But it is a myth thet counterfeiting is confined to higher value goods, or that It is predominantly in trade from east to west," says Mr Martin Swerdlow of the Centre for Exploitation of Science and Technology, funded by government and industry to develop technical solutions to such problems.

"Products as basic as shampoos, soaps and toothpastes are being affected. Nothing is immune. And it is a way of destroying companies: their brand integrity is undermined, and even their viability," he says. However, a new product devised by a British biotechnology company would, say the manufacturers, help

Jenny Luesby on a two-minute biotechnology test that were either stretching products by feit goods, growing at an estimated 20 per cent a can prove – covertly – if goods are of counterfeit origin just refilling old packaging with

be added to everything from insecticides to plastic without affecting the consumer. According to Yorkbased Biocode, it takes only a few bundred parts per billion of the everyday additive to mark the product, and a simple two-minute test can prove origin in the event of a

Without the test, the marker can-not be smelt, tasted, seen or even found in a detailed chemical analysis - thanks to molecular biology, and the ability to produce an antibody to anything.

A living body will naturally

develop antibodies to large molecules. Scientists use this reaction in mice to produce antibodies, which are then cloned in the laboratory and used to detect the presence of an original molecule in medical diagnostic kits.

The challenge for Biocode was to adapt this technique so that antibodies could be produced for small molecules that the buman body

It is a so-called marker that can would not normally react to. It did bility claims, price undercutting added to everything from insections by combining a molecule from a bility claims, price undercutting and the dilution of products, says so by combining a molecule from a product such as a food colouring with a large protein molecule. Inserted into a mouse, this produces its own unique antibody, which when cloned will bind with the original small molecule, even in the absence of the protein.

> be result is a bank of paired molecules. The original, drawn from a standard ingredient, can be inserted into a product in minuscule quantities. And the antibody can be used to detect its presence in a test kit of the type used for testing pregnancies - no bigger than a matchbox, and capable of producing a result anywhere, within minutes, This formula has seen Biocode's

turnover double in the last year, to an expected £2m in 1995, and the company predicts sales of £50m in five years' time.

lts customers use the markers to protect themselves against false liaRobin Jenkins, Biocode's operations

The first user, in 1993, was a manufacturer of high-specification insulating foam, who was being sued for the failure of foam which he had not produced but which had been sold as his. Since then, Biocode has developed

a series of markers for a European agrocbemical producer. Its agrochemical company's technical director says: "We were coming across one of our own insecticides, pro-duced for bulk producers in Latin America, in Europe - where it was being marketed as a premium product for small crop growers, at a price that would not have been economical if the product had been

what was claimed." There has also been widespread counterfeiting and dilution of the company's insecticides in the developing countries, he says, with disastrous results for farmers. "Suppliers

adding water, or alcohol, or even any liquid to hand."

Drug producers have also been vulnerable to this kind of practice, but introducing a marker into a drug requires stability tests to establish that it is not interfering

with the efficacy of the drug. Another solution, taken up by a European drugs company, was an adaptation which allows the Biocode to be used as invisible ink on the surface of sealed packaging.

To test the label's authenticity, a

solution containing antibodies is applied. This should bond with the manufacturer's marker. When a second solution containing a dye is painted over this, it should reveal a printed authentification message.

Thousands of labelling systems are being developed to identify original products, including holograms. DNA tagging, and heat and light sensitive invisible inks. But there is a general consensus that Biocode's technology, patented in Europe and the US, is simpler, quicker and more specific to each product than most other solutions.

### **OBSERVER**

#### Say nothing, sell even less ■ Turkey looks like it has at last found the ideal boss for its

sputtering privatisation programme, with the appointment yesterday of Ufuk Söylemez, 38, a protégé of Prime Minister Tansu

He even has a surname to go with the job: translated it means "he who says nothing". Which is really quite appropriats, considering that Turkey has given up on seeing any real privatisations for some time. So far this year the government has sold off about \$70m worth of

state companies. Cilier doubtless bopes the virtues of silence could be drummed toto privatisation minister Ali Sevki Erek, who this week aired the is continuing efficiently at its maximum speed. It is not possible to adopt arguments that utivatisation is a fiasco."

#### Wright might

■ Peter Wright, the former MI5 intelligence officer whose memoirs caused a stink in the mid-1980s, is no longer with us. He died yesterday, aged 78, at his home in Tasmania, to where he moved in

In the wake of the UK government's unsuccessful legal battle to stop Wright publishing his Spycatcher memoirs, it was made clear to him that if he tried returning to Britain be could be prosecuted for breaching the Official Secrets Act.

But the old boy may yet have the

last laugh. According to one family member yesterday, he requested his ashes be scattered over the waters of the Blackwater Sailing Club in southern England. Wright will also live on in the

offices of Malcolm Turnbull, the republican lawyer-cum-banker who represented him in the legal proceedings. Turnbull may have swapped the law for corporate and financial advisory work, but visitors to his Sydney-based firm, Turnbull & Partners, are still ushered into a room festooned with cartoons from

#### Swampy reserves

■ Next Monday, May 1, is Maharashtra'a Independence Day and a holiday in Bombay, its capital. We now may have to use its original name, Mumbai, if the extreme nationalist Hindu group Shiv Sena - which wrested power in India's richest and most industrialised state with its ally, the Bharatiya Janata party - gets its

Mumbai derives from Mumbadevi, patron goddess of the original fishing inhabitants of this swampy area, given by the Portuguese to England in 1661 as Catherine of

Braganza's dowry when she married Charles II. Seven years later the East India company leased it for an annual rent of £10 in gold. Neither the Portuguese nor the British could pronounce Mumbai and re-tagged it Bombay instead.

Bombay, Mumbai, whatever foreigners now pouring into a liberalising india's commercial capital still think it's pronounced

#### Siege mentality ■ Dislodging a deposed president can sometimes be a tricky business.

Taka for instance Yuri Meshkov, former president of Crimea, a Ukrainian autocomous region. On March 16, a thoroughly discredited and unpopular Meshkov was theoretically removed by a parliamentary vote which abolished

the office of president.
But he is refusing to budge from his top floor office in the Crimean parliament building. Police are reluctant to winkle out Meshkov a former KGB marksman, he often sports a holster - from his penthouse. So be stays, even though he's without his beloved guns. Vitali Kirichenko, the Ukrainian police chief, yesterday expressed the hope that Meshkov would independently realise the

inexpediency of continuing his stay and leave the building." Poor Kiricbenko, expected to quell unrest on the separatist-minded peninsula.

complained Meshkov's staff – now barred from the building - are treating his men "rudely".

Royal flush

■ Whatever Hong Kong has to offer, when it comes to culture the territory is still as much a barren rock as ever. Now the Urban Council - which might be thought to have an interest in keeping quiet about it - bas delivered a damning

> International Symposium on Public Toilets 1995. Some 450 delegates will descend

on the Centre to discuss such arcane matters as the behaviour of toilet users and the design and development of public toilets. The real crowd-buller comes on May 27, when the lucky overseas visitors will be taken on a tour

indictment; it's using the Hong

Kong Cultural Centre to host the

of...local toilets. With the temperature and bumidity soaring, the event should be irresistible.

#### It's an ill wind

■ North America has enjoyed one of the warmest winters on record but thet has lead to nothing but gripes from companies. As people saved on beating, the oil majors have moaned about weak margins for fuel and Quaker Oats said yesterday that sales volumes of hot cereals were 14 per cent down.

Minancial Times

#### 50 years ago An Investor's Notebook

f hear of a man who recently inspected certain plantations in the Far East recaptured from the enemy. These, he declares were looking extremely well, but he says that one small plantation was completely destroyed by the Japanese, who cut down the trees to make harricades. trenches etc. The point he wishes to emphasise is, that where in most cases no harm was done to plantations during Japanese occupation, when attacked and being driven out there is always the possibility of their destroying trees as a matter of defence.

What Will You Have? There has been quite knowledgeable buying recently of Cinzano shares, now about 9/9 19 shillings and 9 pence (£0.48)]. This company has one unusual feature in that the shares are now of no per value, but that should not deter the buyer for capital appreciation. The mention of the name whets the appetite immediately and conjures up memories of drinks both short and long with a real zip in them. But the dislocation in world trace to this company: in world trade has struck hard at



### FINANCIAL TIMES

Friday April 28 1995



### CD tracks fade in the Amazon

Pick up a compact disc in Brazil and chances are it will have the surprising words "made in the Amazon" stamped on the back.

The free trade zone in the west Amazon town of Manaus has become a favoured location for CD makers, who then ship the discs 3,000km to the main consumer markets of São Paulo and Rio de Janeiro.

But the Manaus zone exists only because of tax incentives and government subsidies, which were pumped into the region from the late 1960s. With the liberalisation of the economy in 1991, the expense of promoting high-cost high-technology in tha jungle has become increasingly apparent to the government of President Fernando Henrique

However, only this month, on a visit to Manaus, Mr Cardoso pledged that the region's tax breaks would remain in place hoth government officials and husinessmen are asking whether the zone has a future in a free

market economy.

Manaus prospered while the
Brazilian economy was closed to imports. Multinationals like Sharp, Philips and Gillette came to the zone to export to the rest

But with Brazil's economic opening and falling import tariffs in the last four years, Manaus has lost some of its raison d'etre. The government does not dare withdraw the subsidies in case unemployment explodes.

The zone, which lies alongside the black waters of the River Negro, started to develop in 1967 when Brazil's military rulers decided to develop the western Competition is putting pressure on a remote free trade zone in Brazil, explains Angus Foster



sons, using Manaus as a develop-ment hub, like, The zone expanded rapidly and hy 1990 directly employed 80,000 people and had annual sales of \$8.4bp.

The economy's opening in 1991. and a severe recession, saw sales collapse to \$4.5hn in 1992 and employment cut in half as companies restructured to compete with imports.

"Companies who had gone there had never needed to worry about competing. But with the economy's opening, Manaus had to incorporate into the real world," according to Mr Sergio de Mello, secretary of industrial pol-

icy.

By the end of last year, the worst of the shock seemed over,

types like watches, toys and tex-tiles are still below 1990 levels. The next goal, Mr Rodrigues says, is to improve quality and productivity. Of the zone's 302 companies, 30 have ISO 9000 certification and a further 92 are in the process of seeking it. Job cuts have led to productivity gains. and companies are also increas-ingly contracting out.

But according to union leaders, too many companies still treat the zone as no more than an assembly plant, spending little time on training and keeping wages low. According to the metalworkers' union, nearly 70 per cent of workers in the zone are women, more than half of whom are between 17-21 years old. The union also alleges that labour turnover is high, apparently to keep wages down, and that about 500 workers are sacked each month.

Mr Cardoso, on his recent visit, told companies to start exporting rather than rely on the Brazilian market. Last year, for example, exports accounted for only \$134m of total sales.

Exporting more will be diffi-cult, and will take time. The main problem is Manaus' huge distance from consumer markets. while its port is awkwardly placed in the town centre and river transport remains slow. Supporters say proposed road links from Manaus to Venezuela and the Pacific will open new markets and cut transport costs. But financial and environmental

costs will be high. The government now also wants Manaus to be the base for eco-tourism in the Amazon and many analysts think that in 10 to 15 years tourism could be a big-

# ICI, Rhöne-Poulenc, Exxon, Bayer and

Amoco have all posted unexpectedly strong results this week thanks to a remarkable upturn in the chemicals cycle. West European petrochemicals profitability last quarter was higher than at the previous peak in 1988. Alarm bells should be ringing.

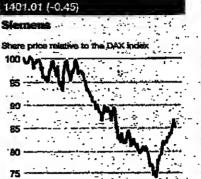
Traditionally, at this point of the cycle when cash pours in chemical companies spoil everything by building excessive new capacity. Already, the industry's capital expenditure as a proportion of depreciation is rising. BP Chemicals and BASF are extending plants in the UK and Belgium, while three large new US petrochemicals

complexes are being brilt.

However, this time history may not repeat itself. So far, tha capacity increases are modest and should not cause oversupply. Moreover, there are reasons why the industry may exercise self-restraint. Many groups are still marked by the recession: more aware of shareholder value and attentive to return on capital, they are investing in technology to squeeze more product from existing plant. They also increasingly recognise mergers, joint ventures or acquisitions as a cost-effective way of gaining market share. Besides, the European companies' cash surge could soon peak: prices may slip as the dollar's weakness increases the supply of US imports. The chemicals industry has an opportunity to ensure that it does not make its habitual mistake of over-investing. They should selze it.

The strong D-Mark is given as the reason why Siemens may not meet its target of improving profits by 20 per cent this year. But a strong currency is not the electronics giant's only problem. Yesterday's half-year figures show a further decline in the core public telecommunications division. Siemens may face nothing like the difficulties experienced by Alcatel, but Deutsche Telekom's policy of bearing down on its suppliers is still hitting it hard. Good performances from semiconductors, where the world market is strong and computers, where Siemens Nixdorf is being turned around, are welcome. But the group is far from firing on all cylinders. Siemens' shares have performed strongly this year as management charmed investors with promises to reform its stodgy culture. it is also cutting costs and revealing more financial information about itself. But much more is needed in all

meet cost-cutting targets will be pun-FT-SE Eurotrack 200: 1401.01 (-0.45) ished mercilessly.



THE LEX COLUMN

Cyclical chemistry

these areas before further outperform

#### US airlines

The US airline industry is at last beginning to enjoy the fruits of economic recovery, Lika most others in the current crop of results, Delta Air Lines exceeded expectations yesterday, though it did not quite manage the return to profitability achieved by

The pay-off for several years of costcutting was delayed last year by a price war in the domestic market. As a result, several airlines cut routes and pulled back to core hubs, thus easing some of the competitive strains in over-served areas. The question is whether recovery is sustainable, given that it has happened rather late in the economic cycle. Past experience would suggest not. Typically, airlines order new aircraft in the full flush of economic growth, and then have to pay. for them - and face overcapacity just as the downturn sets in. This time they have avoided that particular pit-fall, thanks to the constraints of costcutting pressures. In fact, capacity is now declining, due to route closures, while passenger volume is growing. This should feed through rapidly into

the profits of a leaner industry. There are some snags. First of all, cost-cutting has already strained labour relations, and employees are likely to become less compliant as they see profits recover. Second, there is a danger that rising oil prices will add to costs. With further restructuring under way, the airlines are reasonably well placed to face these prob-lems. But any company which fails to

Montedison &

deficit to L34

#### UK investment

Plenty of cash is being generated in the UK economy, but by the wrong kind of company. This is the apparently worrying conclusion of BZW's study of investment and cashflows. This shows that the companies that are awash with cash are not those with decent opportunities to spend it. Telecoms, electricity, food producers, retailers, spirits and tobacco accounted for 60 per cent of last year's financial surplus. Investment needs are more pressing for industrial comare more pressing for industrial com-panies, whose cashflow is sluggish. Indaed, engineering companies — which face capacity constraints and should in theory be investing heavily — are in financial deficit. This imbalance need not impede the much-needed recovery in UK invest-ment, if the cash is redirected from sectors of the economy that do not

sectors of the economy that do not have investment opportunities to those that do. This should take place through high dividends, special divi-dend payouts and share buy-backs, as well as through takeovers. Dividends have been the favoured route to date, but BZW predicts a tripling of take-over activity this year and further huy-backs. This will be good for the UK stock market: corporate cash will provide stimulus to the market at a time when institutional investors cashflows are extremely low. But it does not mean manufacturing companies will step up their investment sufficiently; the evidence to date is they would rather put up prices than invest

#### Mercury

If appreciating the scale of its problems is a preparatory step to solving them, the stiff internal memo from Mercury Communications' new boss is a good sign. The days when Mercury could lazily pick off the best custom-ers from a bloated British Telecommunications are over. BT has improved its business, faster-moving rivals have entered the market and tariffs are fallmg. The memo reveals the magnitude of the crisis facing the company. But with vigorous action now, it is not too late to create a worthwhile business out of the £2bn (\$3.2bn) that has been sunk in Mercury since its inception.

See additional Lex comments on UK electrical retailing, Page 20

### **Amadeus acquisition creates** largest travel booking system

By Michael Skapinker in Paris

Amadeus, the computerised reservation company owned by atrlines Air France, Lufthansa of Germany and Iberia of Spain, is acquiring the reservation system of US carrier Continental Air-lines, creating the world's largest travel booking network.

The deal will extend the Amadeus system into North and Central America from its base in Europe and South America.

Continental, the fifth-largest US airline, will acquire a 12.4 per cent stake in Amadeus as part of the deal, and receive an undisclosed cash sum for its System One reservation system. It will

also be represented on the Amadeus board. The three European airlines will each hold a 29.2 per

cent stake in Amadeus.

System One's marketing and software development arms will be transferred into a joint company to be owned equally by Continental, Amadeus and EDS, the US information technology group owned by General Motors.

The company will develop. market and distribute the Amadeus hooking system to travel agents in North and Central America, the Caribbean and Pacific Basin.

Amadeus's acquisition of System One will give it a 14 per cent market share in the US. It is already market leader in Europe,

level and direct employment had

zone's superintendent, says interest in Manaus is growing again

and that sales this year will be

up 20-25 per cent. "It has become

the most important area in Latin America for products like elec-tronics and motorbikes," he says.

Some analysts question how

well the zone has weathered the change. Although headline fig-ures show recovering sales, most

recent growth is due to one prod-

uct - televisions - which now

account for a quarter of the zone's sales and have enjoyed a

humper year thanks to overall

economic growth. While sectors

like chemicals have also done

Mr Manuel Silva Rodrigues, the

steadied at about 50,000 jobs.

Latin America and Africa. The enlarged network will be operated by 33,000 travel agencles worldwide, and offer information on more than 700 airlines, 29,000 hotels and 41 car hire companies.

The deal comes after US air-lines announced that they had capped the amount of commission they would pay travel agents which sold their tickets. As a result agencies may charge customers who book through them. This could lead to some booking directly with airlines rather than via a travel agent.

Lex, Page 14: Swissair may huy

#### Setback for Microsoft

Continued from Page 1

product like Intuit's Quicken, said Miss Bingaman.

There are an estimated 6m Quicken users, representing more than 75 per cent of the personal money-management soft-ware market in the US. Microsoft Money, by contrast, has only a 5 percent share of the market

The Justice Department suit comes as Microsoft and the Justice Department are appealing against a court ruling rejecting the settlement of a four-year antitrust probe of the software com-

The settlement was a bid to ensure Microsoft's software licensing practices were not unfair but failed to satisfy many of

### Gas blast

delicate Arctic tundra as the

Continued from Page 1

spring thaws raise the local water levels by 30ft. "We are running against the clock," Mr Hasso Molineus, director of operations at the Moscow office of the World Bank, said yester-

### Rhône-Poulenc profits rise four-fold

Continued from Page 1

FFr100m. Profits rose in the French group's three other main operating divisions. The strongest increases were achieved in the agrochemicals business, which saw profits rise from FFr343m to FFr574m, and in the fibres and polymers operations,

which increased their contribu-tion from FFr134m to FFr318m between the two quarters.

The chemicals division, the largest in terms of sales, increased earnings from FFr228 to FFr313m Mr Tirouflet said the group

would continue to restructure and make disposals but indicated

a more relaxed approach to asset sales. "Many of the more urgent tasks have been completed. The group has made further

progress in strengthening its financial position, reducing net debts by about FFr1.5bn to FFr23bn between the beginning of the year and the end of the

### Europe today

Northerly winds will bring cooler air to the north-west of the continent, reducing daytime temperatures to between 10C and 15C. During the day, cloud will form over the Low Countries and eastern England but it will be dry with ample sunshine. Central Europe will still have some showers, but conditions will slowly improve. Heavier showers, some with thunder, will occur over eastern Spain and northern Algeria. Most of south-east Europe will have sunny periods. Rain is likely in eastern Turkey. More rain will occur near a frontal zone over Poland and northern Russia, Northern Scandinevia will have some sun but southam sections will have showers

#### Five-day forecast

TODAY'S TEMPERATURES

During the weekend, temperatures will rise Most of the Low Countries, France and Spain will be dry and sunny. Rain and showers will occur in the UK and central Europe. Showers will increase over the Balkans and Greece owing to low pressure over the eastern Mediterranean. Central Europe will become dry early next week.



# We promise to try harder in worldwide equity.

1st.

M&A Europe With deals worth US\$16.8 billion in 1994. S.C. Warburg was the

leading adviser on European mergers and sequisitions for the fourth utive year according to IFR Securities Data

M&A United Kingdom In 1994 S.G. Warburg was

the leading adviser in the UK for public and private

United Kingdom S.C. Warburg was ranked first for corporate finance expertise for the eighth

cording to the 1994 Consensus Research

Equity United Kingdom

S.C. Warburg was voted

the top stockbroker for

equity corporate finance

onal Annua

Kuwait

US\$130,000.

'Tav Free)

+ Benefits

Equity Worldwide

In 1994 S.G. Warburg was the world's second active manager of rnational equity issu ecording to LFR.

Worldwide

The 1995 Nelson's

survey ranked

S.G. Warburg first for the

total number of

nanies research orldwide for the fifth Europe

In 1994 S.G. Warburg reporting US Broker-Dealers by volume of European shares traded worldwide as reported by AntEx BlockDATA Inc.

Europe

In the Institutional restor 1995 All Europe Research survey, leadin S.G. Warburg first for the United Kingdom in 1994 S.G. Warburg was voted first for inve

search by leading UK avestors for the fourth consecutive year according to

S.G.WARBURG



### **FINANCIAL TIMES**

### **COMPANIES & MARKETS**

THE FINANCIAL TIMES LIMITED 1995

Friday April 28 1995



#### IN BRIEF

#### **Montedison cuts** deficit to L345bn

Montedison, the agro-industrial and chemical group of Ferruzzi Finanziaria (Ferfin), announced a sharp cut in losses to L345bn (\$201.5m) in 1994 from

Holvis rejects takeover bid from IP Holvis, the Swiss non-wovens and distribution group, has rejected an unsolicited takeover bid announced by International Paper on Monday, and advised shareholders to take no action. Page 18

Roche beats rivals with 15% rise Roche, the Basie-based healthcare products group, has reported a 15 per cent rise in 1994 net income to SFr2.86bn (\$2.51bn) in spite of "a climate of structural change and increasingly intense competition".

Teimex blames forex for fall into red Teléfonos de México (Telmex), Mexico's higgest pri-vate company and until now its most profitable, posted first-quarter losses of 390m pesos (\$67m), which it hlamed principally on a foreign exchange loss of 4.26bn pesos. Page 17

Improvement continues at Akzo Nobel Akzo Nobel, the Dutch-based chemicals group. reported a 44 per cent increase in net profit for the first quarter of 1995, extending the sharply higher trend which emerged in 1994. Page 16

SKF fans expectations
SKF, the world's leading maker of roller hearings, posted a three-fold increase in first-quarter profits, fanning expectations that 1995 will be an exceptional year for Sweden's engineering sector. Page 16

H-P warms of computer chip flaw Hewlett-Packard has discovered a "manufacturing process flaw" that affects microprocessor chips huilt into some of its high performance computer workstations and servers shipped over the past six

Meridien seeks special debt treatment The interim management committee of Meridien BIAO, the troubled African banking group, outlined a survival plan it has put to accountants KPMG Peat Marwick, the liquidator of Meridien International Bank, its main shareholder. Page 18

Electrolux details plans for India Electrolux, the world's biggest household appli-ances manufacturer, has announced details of its expansion programme into India's growing white goods market, including plans to produce 1m refrigerators there annually in the next five years.

Aerostructures Hamble declines sharply Shares in Aerostructures Hamble, floated almost a year ago at 120p, fell 3p to 30p after the aircraft parts maker reported a sharp fall in profits and turnover for last year. Page 21

# Canadian developer Bramalea in bankruptcy

Bramalea, the siling Canadian property developer and housebuilder, has gone into bankruptcy, leaving its creditors free to seize more than C\$4bn (US\$2.9bn) worth of office huildings, shopping malls and undeveloped land across North

The Toronto-based company is the latest in a string of big Canadian develop-ers which have struggled to survive the est in a string of big Canadian developers which have struggled to survive the North American property slump under a several thousand acres of residential

heavy deht hurden. Olympia & York, land, mostly in southern California and controlled by the Reichmann family, colsouthern Ontario. However, Mr Ronald lapsed three years ago.

Two other companies, Trizec and Cadillac Fairview, have succeeded in hring-ing in new investors and restructuring

Bramalea, which negotiated two restructuring plans over the past three years, was in the process of gradually

Slaght, a lawyer for the company, said yesterday that directors and senior officers "had come to the realisation that there was no value for shareholders, and that the only beneficiaries were secured

debtors and debenture holders".

All the directors and officers resigned late on Wednesday. Canadian Imperial Bank of Commerce, one of the biggest lenders, immediately applied for a court

the company".

Canada's big five banks hold the bulk
of its C\$3.5bn deht. The creditors have yet to decide whether to appoint a liquidator or to negotiate deals on individual properties. Mr Slaght said the directors were also concerned about Ontario employment laws, which potentially held them liable for severance pay, holiday pay and other outstanding benefits

Bramalea said senior secured creditors and bank lenders "should determine the future governance and management of with creditors, provided for severance payments before disbanding.

However, several of the company's top managers have sacrificed generous and controversial - compensation pack ages which they negotiated for them-selves as part of the most recent restructuring plan.

Under the plan, Mr Marvin Marshall, president, would have received substantial payments for the next seven years.

#### British chemicals group's pre-tax profits up 137% in first quarter

### **ICI** soars on higher prices and demand

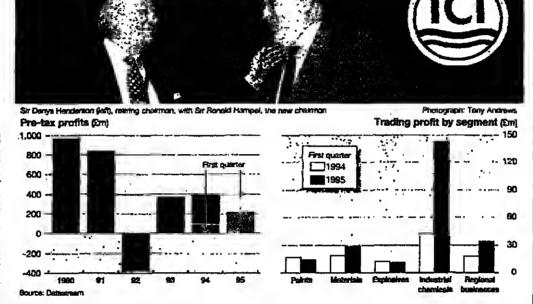
By Jenny Luesby in London

Britain's Imperial Chemical Industries yesterday reported a 137 per cent increase in firstquarter pre-tax profits, from £103m to £244m (\$395m) after exceptional items. The results were better than expected, and ICI shares initially rose sharply, hy 26p at one stage, hefore closing 11/sp lower at 7561/sp. But the benefit to ICI of an

upturn in demand and prices highlighted the extent to which the rest of UK industry is being forced to cope with rising raw material prices, The vast majority of ICl's profit

growth came in its industrial

chemicals division, where trading profits rose to £143m, from £42m in the first quarter of last year. The growth was driven by a 10 per cent rise in volume, and average price rises of 12 per cent, in the petrochemicals, chlorinebased chemicals, polyester and surfactants businesses. These are used by most manufacturers, as plastics, adhesives, propellants, textiles and wetting agents.



Within ICI itself, the materials, paints and explosives divisions were themselves held back hy rising prices further upstream. Materials reported improved sales and profits, thanks to continuing gains after the acquisition from Du Pont of its acrylics business. But paints and explosives lost ground, and achieved trading margins of 3.3 per cent and 5.9 per cent, respectively.

in the first quarter of last year. Sir Denys Henderson, retiring after eight years as chairman. said there would be a rise in ICI's dividend this year if the improvement in conditions continued. He also noted that although the

tional items, compared with 6.9p

improved results had been driven hy cyclical conditions, their scale owed much to the restructuring of the company.

Lex, Page 14: Montedison Akzo Nobel results, Page 16; Dow Chemical result, Page 19 None the less, earnings per share rose to 21.1p, after excep- for growth, he said, and had

authorised significant new

investments. These included two large plants in Taiwan and Pakis-

tan, to manufacture PTA, which

is used to make polyester; a poly-

urethane plant in Europe; a plant

to make state-of-the-art plastics

for soft drink bottles in North

Carolina, and further expansions in acrylics and the paint business

in south-east Asia.

#### **Siemens and AEG** warn of currency effects on profits By Christopher Parkes increase, while foreign orders in Frankfurt

Siemens and AEG, two of Germany's top electrical and electronics groups, warned yesterday that their 1995 results were likely suffer because of turmoil in the foreign exchanges and higher labour costs.

Siemens, which said net income grew 7 per cent to DM939m (\$690m) in the six months to the end of March, said the swings had cast doubt on its ability to meet its target of a 20 per cent increase in after-tax profits for the full year.

AEG, the heavily-restructured Daimler-Benz subsidiary, said it would not break even this year and profits were not now expected before 1996. The rompany said first-quarter

sales were steady at DM2hn, adding that although incoming orders for the period were down at DM3bn after DM3.4hn in 1994, the figure was expected to be bol-stered by a federal railways order worth DM1.2bn.

New orders at Siemens rose 4 per cent to DM46bn in the sixmonth period. Demand from the climbed 2 per cent. Global sales were 5 per cent

higher at DM40bn, thanks mainly to the revival in the home market where turnover rose 13 per cent to DM17.7bn. International sales stagnated at the previous year's level of DM22.3bn despite currency movements.

Best performers within the group included the automation division. New orders rose 24 per cent to DM3.4hn and sales were 38 per cent higher at DM3.4bn.

Siemens Nixdorf, the information technology husiness, and a long-running loss-maker, raised its order intake 19 per cent to DM6.4bn while sales climbed 9 per cent to DM5.7bn. Sales and orders for semiconductors rose 37 per cent.

in contrast to the effects of the return of husiness confidence, continued restraints on public spending were still damping the power generation and public telecommunications businesses.

Capital spending rose sharply

from DM2.4hn to DM3.7bn mainly because of acquisitions including Pyramid Technology in California and a joint telecommunicadomestic market showed signs of tions venture in Italy with Italiel. reviving with a 6 per cent Lex, Page 14

#### Companies in this issue

ALG			
AIG	17		
AMR	17		
Aero Hamble	21	Montedison	1
Akzo Nobel	16	Nippon Telegraph	- 1
Argentaria	16	Northwest Airlines	1
BCE	7	Ove Arup	
Betterware .	21	Pepkor	1
	5	POTUGUE TERCOTTI	1
Boeing	_	rowd corp	
Borealis	18	I tooms or contract	
Bramalea	15		
Citibank	18		- 3
Colonial Mutual	18		- 3
Continental Alrines	17	man The	- 3
Delta Air Lines	17	SKF	
Deutsche Telekom	2	Sabena	
Dow Chemical	19	Sara Lee	4
Dyno Industrier .	18	Siemens	- 1
Electrolux	18	Signet	- 2
Ekem	19	Skoda	
Ferfin	· 1a.		1
Fesco	15		
Fiet	5		1
Fincantier	S		
Ford	5	Тектех	1
General Motors	5, 18	Toshiba	
Holvis	16	Transocean	1
	7	Trinity	2
Hughes	15, 1	UAL	1
ICI	3	UBS	3
ikea	19	USAir	
Imasco		10	•
International Paper	16	4 4	
J J Piirto	3	*****	4
Kabo	4	Xerox	,

#### Market Statistics

Annual reports service 26-2	7 FT-SE Actuaries Indices 3
Benchmark Govt bonds 2	s Foreign auchange 2
Bond futures and options 2	
Bond prices and yields 2	
Commodities prices 2	
Dividends announced, UK 2	
NATIONES SELECTIONS 4.1.	
EMS currency rates 2 Eurobond prices 2	
Fored interest indices 2	
LIVER MINIOR MINIOR	
I I II II II III II II II II II II II I	
FT Gold Mines Index . 3 FT/ISMA Inti bond svC 2	

FT/ISMA Inti box	ed svc	24	World Stock Me	rkets	31
Chief p	rice	cha	nges yest	erday	
FRANKFURT	(DMI)		. Georgeigen	331.4 +	11,4
Primes Anches Mich Red	930 -	+ 45	Legale	389 +	26
Asian Pri		+ 20	SGS-Thomson	185 +	7.5
Rosenthal Patte		8.5	Worns Cla Parts	258 +	17.7
CKAG Colonia Pf	633 -	- 17	Saint Gobala	837 -	21
Didler-Warks	106	- 5.5	TOKYO (Yes)		
Scharleg	1036	- 42			
HEW YORK (	9		Pinos	393 +	21
Rices			Dai Non Toryo Mond Petchera	813 +	29
Nucar Corp	47			635 +	21
SGS-Thomson	3814	+ 22	Telepicu Cil	780 +	21
Palls	- 44	- 7%	Yokofassa Bank	/80 +	21
Cossul Heelth	14% -		Palis		30
Dollar Gan	14%		Hallori Salico	725 <b>–</b>	22
Mass	24%	2 2 2	SHEARAN	818 -	22
Pills Siv LONDON (Per		_	HONG KONG	(sacs)	
	10-4)		Rigord		
Råses Kenander Winer	145 -	+ 10	1) S Rung	5.4 +	0.2
Polices Gro NV		. 5		4.575	
Padiotrait		+ 6		+	0,15
Steriing Publ	30 -	+ 5	Windsor Incl	9.5 ÷	0.3
Fells.			Falls.		
Austin Read	211	- 14	Eports Asia	2.75 -	0.25
Ctinical Comp	26 -	- 6	Liceo	53 -	0.2
TORONTO (C	N N		Telegrac Brow	2.85 -	0.2
Piisos		. 25	BANGKOK (		
Fort Motor Can	100	·	Siers	T	
Boldcorp			CNEC FINANCE	62 +	5
Pizinirae Sya	18%		Mail Finance	76 +	65
Stackpole	י און		Police Police		
Falts	814	_ 1		32.5 -	3.5
Spectrum 51g	an -		Banglick Paint		17
Taraien Corp	g/z		Company East	100	2.25
PARIS (FFr)			Imperial Hotel	20.75 -	2.25
Rices.	100	21.9	Timi Packaging	21 -	225
Rf Aresto Ctr	366 -	+ 21.9			

n Telegraph	6	Dy Catalità (donct al breases)
vest Airlines	17	The Balling and the to
rup	5	The Belgian government is to
,	18	expected to give its hiessing to Sv
el Telecom	16	air's plan to acquire 49.5 per cen
Corp	7	Sahena, the troubled state-owned air
r & Gamble	18	which yesterday announced a mo
3	18	reduction in losses for last year, o
r Oats	18	
r's Digest	18	pared with 1993.

The decision to allow the long awaited takeover will provide the cash-starved Belgian flag-carrier with capital while giving Swissair a foothold in the

#### European Union aviation market. The Belgian government, however,

has yet to receive formal approval from the European Commission for 8 cost-cutting plan considered essential to the success of the takeover, hat which may hreak EU competition rules on state aid. Yesterday's results showed consolidated losses of BFr1.2bn (\$42m) in 1994,

a BFr3.3bn improvement on 1993.

The group closed the financial year with an operating profit of BFr1.3hn compared with a loss of BFr238m in

#### 1993, and a positive cash flow of BFr1.63hn, compared with a loss of BFr1.68bn in 1993.

Swissair plan for Sabena stake poised for approval

Sabens has yet to notify the European Commission of its cost-cutting propos-als. The latest indications are that the transport directorate in Brussels will approve a plan that involves a capital increase by the Belgian government, with a capital increase by Swissair, and reductions in Sabena's payroll taxes.

"Taken together these two measures conid lead to a reduction of the compa-

#### The capital increase would be similar to last year's capital increase at KLM Royal Dntcb Atrilnes in which the Dutch government participated. According to precedent, it rould be approved

on the grounds that the Belgian government was acting as a normal "private" Previous cost-cuttiog plans that involved relocating pilots in Luxembourg to svold Belgium's high social

security costs, and an ambitious scheme

into difficulties from Belgian rivals and

competition anthorities in Brussels.

Sabena said economic recovery last year had a positive, hnt limited, effect on the airline's fortunes, and was not enough to alleviate the keen competition in European air transport resulting from overcapacity in the sector.

The difficult climate was exacerbated by the strength of the Belgian franc. However, the airline transported 17 per cent more passengers than in 1993.

### John Thornhill examines a Russian shipping group

#### Being the finance director of a company which is grappling with a harsh economic recession, a radical overhaul of its operations, a stock market crash and a criminal epidemic is a challenge to daunt the most hardened manager. But Mr Sergei Frank of Russia's Far East Shipping Company (Fesco) appears to be relishing

Indeed, as finance director of the largest transport company in Vladivostok in Russia's far east, Mr Frank claims he is luckier than most. Fesco, he says, has many advantages: tt is one of the most internationally-orientated Russian companies with 85 per cent of its income earned in US dollars. The company runs several incrative trade routes to ports around tha Pacific Rim. And its strong asset base hoasting 159 ships - worth as much as

\$800m - gives it considerable room for manoeuvre. Vladivostok, which was a closed city until three years ago, is still blinking in the glare of the outside world. Its remoteness from the country's weakening capital - It is eight hours hy aircraft to Moscow or eight days by train - has given the region a

frontiar mentality and lt is described as Russia's Wild East. Like most Soviet-era companies, Fesco is responsible for a mini-walfare state which can only gradually be transferred to the local authority. Last year. Fesco spent about \$50m maintaining 200 kindergartens, schools and hospitals. "It is like having double taxation," Mr Frank says. Fesco already pays 23 other forms of federal and

regional taxes.
"If I started a new enterprise it would be an easy decision not to create these social enterprises. But when you are talking about a company with a history of more than 100 years and 15,000 employees and practically avery 10th family in Vladivostok is directly or indirectly related to the company, then it is a hell of a joh to make a responsible decision."

### Pioneer from the Wild East with a social conscience

"We could make one clever speech and one tough decision which may be good for our finances but tomorrow we would have a social disaster."

Mr Frank accepts Fesco may eventually have to pay more local taxes to help support these social assets when they have been transferred to the council but at least management's time would not he distracted from shipping. One of the sources for optimism about the future is that we can continue to reduce spend-ing on social enterprises and spend mora on the fleet," he says.
"We do not have any serious

problems paying our hills and most importantly we are not leveraged at all," he says. "The long-term liabilities of the com-pany are less than \$30m which must be unique for a shipping company of our size."

esco's virtues have not gone unnoticed hy foreign investors who account for 15 per cent of its shares, Mr Andrew Fox, chairman of Tiger Securities, a local joint venture stockhroker, says: "Fesco has good assets, almost no debt and a capacity to raise finance from international investors ... This is probably the safest Russian share somebody could buy as a minor-

ity investor Although Fesco was only privatised two years ago, Mr Frank is well versed in the anxieties and demands of international shareholders and beams with pride as he hands over a hullish research note compiled by ING, the Dutch bank. With the company's mar-ket value standing at a 90 per cent discount to book value, ING suggests Fesco is undervalued. "I

can confirm that everything in the report is true except for the profits forecast. Making forecasts in Russia is quite difficult," Mr Frank says.

This year Fesco intends to buy five ships to help improve operat-ing efficiencies. "At present our running costs are continuously increasing because of the poor quality of our fleet. As our assets become older and older our costs become higher and higher." The fleet will be reduced to 120 vessels releasing much cash. Fesco can also reap other cost benefits from slimming its ships' rosters. Increased competition from low-cost independent operators is

helping to accelerate this change. "Competition is good," enthuses Mr Frank. "It makes people work harder and more intelligently." But not all of Fesco's employ ees are so sure and at its recent annual meeting the board was grilled by some of its 30,000 shareholders, including many workers who collectively own 38

per cent of the shares. "In Russia everybody likes to ask why are you doing this. It is not a country where people are worried about looking confused. A lot of people are a little bit afraid of these new developments. But I think the new envi-ronment is healthy," Mr Frank

Everything, it seems, is chang-ing in Vladivostok which can be either disorientating or exhibarating depending on your point of view. Even the town's museum curators are carting off Soviet-era exhibits to make space for mementos of the American movie star, Yul Brunner, who has been rehabilitated as one of Vladivos-

#### This announcement appears as a matter of record only

### £9,150,000

Institutional Acquisition from United Newspapers plc

of

LINK HOUSE MAGAZINES LTD

### special interest consumer magazines

Led and arranged by

**CINVen** 

Equity provided by **CINVen Funds** 

Senior debt facilities arranged by Bank of Scotland

Ashurst Morris Crisp acted as solicitors and Touche Ross as reporting accountants

Having the capital to back a big idea is only half the secret. Having the vision to spot one is the other half.



Take it as read

CINVen Ltd is regulated by IMPIO in the conduct of Investment Busine

+13.114 -

10.4 35 77

ISAJOUF

A STATE OF THE STA

conomic

---

....

= 4.K

190

-

V - 785

and the co

12.00

· - 474 4

· 李章·特

#### INTERNATIONAL COMPANIES AND FINANCE

### Roche beats rivals with 15% rise in net income

By Ian Rodger in Zurich

Rocbe, the Basle-hased bealtbcare products group, has reported a 15 per ceot rise in 1994 net income to SFr2.86hn (\$2.51bot in spite of "a climate structural change and iocreasiogly intense competitioo"

The increase is considerably stronger than those reported by the group's Basle rivals. Sandoz net income was up 2 per ceot to SFr1.7bu while Ciba gained 7.5 per cent to SFr1.9bn. Roche directors said in a preliminary statement that they would recommend a 15 per gent dividend rise to SFr55 per noo-voting certificate.

Sales rose 3 per cent in Swiss franc terms to SFr14.7bo. but

were up 10 per cent in local currencies. The sales figures were flattered by the inclusion of figures from Syntex, the US pharmaceuticals group acquired last autumn, from November 1. Sales in the fourtb quarter jumped 12 per cent to SFr4bn.

Roche said profits on the

operating side were lifted by cost management as well as sales growth. The oon-operating result, arising from the investment of the group's SFr12bo liquidity, was also up. In the year, pharmaceutical division sales were up 7 per cent to SFr§.34ho, vitamins and fine chemical sales eased 2 per cent to SFr3.2hn, revenues

ceot to SFr1.59bn and sales of fragrances and flavours gained 6 per cent to SFr1.5bo.

Capital spending eased to SFr1.36bn, from SFr1.4bn. Research and development spending rose to SFr2.3bo from SFr2.16bn. R&D spending on pharmaceuticals rose to SFr1.98bn from SFr1.81bo, and to 24 per cent of divisional

sales, from 23 per cent. Rocbe said sbarebolders of National Health Laboratories in the US will vote today on the proposed merger with Roche Biomedical Laboratories. The merger would create the world's largest clinical laboratory network, to be known as Laboratory Corporation of America. Roche will hold a 49.9 per cent stake in it.

last four days," it said.

IP, making the first unsoli-

(\$350m). Mr Milan Turk, vice-presideot of International Paper, said be was not surprised by the board's reaction. "We have made an offer to shareholders It is up to them to decide. At the moment, there is no other

Holvis was exposed to take-over when Merchry Asset Maoagement of the UK decided to sell a 31 per cent block of shares that it

MAM has giveo International Paper ao irrevocable optioo to purchase 25 per cent. at the hid price.

### **Holvis** rejects offer from Int'l Paper

Holvis, the Swiss non-wovens and distribution group, has rejected an unsolicited takeover bid announced on Monday by International Paper of the US, and advised shareholders to take no action.

"The offer does not reflect the valoe of the company based on hoth the business and fioancial prospects for Holvis's businesses and oo the serious expressions of interest received by the company from a number of international industry participants over the

cited bid in Switzerland, has offered SFr435 a share for all Holvis shares. This represents a 24 per cent premium over the market price immediately before the announcement, and values the group at SFr385m

offer." be said.

Mr Rudolf Wenger, Holvis finance director, said the directors, advised by Morgan Stanley, the US merchant bank, accepted the group was np for sale, and were trying to maximise shareholder value He said the premium offered by IP was "not great", even though the 1994 annual report

showed oet asset value at

SFr400 a share. "We consider discounted cash flow analysis to be more important, and it tells a different story." Mr Wenger said. On the basis of a "surprising" level of interest, he said that the directors were "pretty coofident" of obtaining an offer substantially over the IP

# Montedison cuts deficit to L345bn

Montedison, the agro-industrial and chemical group of Ferruzzi Finanziaria (Ferfin), yesterday announced a sharp cut in losses to L345bn (\$201.5m) in 1994 from L1.366bn.

This was accompanied by a significant improvement in operating profit, up 17 per cent to L1,685bn compared with L1,435bo in 1993.

The results reflect Montedison's first full year under the control of Mr Guido Rossi, brought in hy an international consortium of banks as special administrator after the col-

By John Ridding in Paris

SGS-Thomson, the Franco-

Italian semiconductor manu-

facturer, continued its steady

rise in profits in the first

quarter of the year. Yesterday, it posted earnings of

US\$106.9m, compared with

\$79.5m in the first three

lapse of the Ferruzzi family business ventures in 1993. Montedison said the group was at last benefiting from the rationalisation carried out by

Mr Rossi. This in turn allowed Montedison to take advantage of increasingly strong demand for its products, especially abroad. Sales from the oncetroubled chemicals sector rose 16 per cent to L4,705bn.

In the first three months of this year earnings were up 18 per cent at L6,017bn compared with the same period in 1994: while the gross operating margin rose 39 per cent to L915bn. The group said demand was

SGS-Thomson advances 35%

earlier and a reflection of the

Mr Pascale Pistorio, chair-

continued strength of demand in the semiconductor market.

man, said the results in the first quarter matched the high-

est estimates. The company

said the performance reflected

continued expansion in its

strong for chemicals and agro-industrial products. It was also profiting from the depreciation of the lira. Of particular importance was the position of Eri-dania Beghin-Say, its French agro-industrial subsidiary which provides almost 60 per cent of total turnover and whose French franc earnings are consolidated into lire.

During 1994 turnover increased sluggishly to L21,522bn from L20,415bn. Gross operating margin was L2.955bn compared with L2,603bn. The return to profitability was conditioned by the need to make provision for

achieved outside Europe, with

52 per cent of turnover realised

in the US, Japan and the Asia-

The Franco-Italian group was floated last year in a step

towards a possible privatisa-

tion. The operation allowed the

group to strengthen its balance

sheet, providing about \$470m

Pacific region.

lawsuits, and continuing heavy write-downs on property and other bad portfolio investments. Last year's write-offs

amounted to L446bn Ferfin results yesterday mirrored the improvement in Montedison, with a large cut in

Ferfin posted a consolidated net loss of L996bn last year compared with L2,419bn in 1993. Net indebtedness was cut to L14.840bn from L21,951bn, a reduction of 32 per cent. This was largely the result of capital increases totalling L6,740bn and the sale of non-strategic

### Improvement continues at Akzo

from diagnostics equipment

and services were down 7 per

By Ronald van de Kroi

Akzo Nobel, the Dutch-based chemicals group, reported a 44 per cent increase in nel profit for the first quarter of 1995, extending the sharply higher trend which emerged in 1994. Net profit rose to Fl 405m (\$260m) in the quarter from Fl 231m a year earlier. The fig-ure includes an extraordinary gain of Fi 40m due mainly to the sale of the group's interest in a Swedish hydropower com-

pany. Without the extraordi-

nary item, the rise in oet profit would have been 30 per cent Sales fell 3 per ceot to Fl 5.6bn. but this was eotirely due to the influence of curreocy translations and

disposals. By volume, sales rose 5 per rent. Akzo Nobel raised the average selling price of its products by 3 per cent compared with early 1994.

Operating profit was up 19 per cent at Fl 553m, with two sectors, chemicals and pharmaceuticals, putting in strong performances.

However, Akzo Nobel's fibre husiness also improved, as operating profit rose to Fl 44m from Fl 28m.

The coatings sector raised its operating profit to Fl 101m from Fl 92m, though the company noted that margins were coming under heavy pressure from rising raw material

Other factors behind Akzo Nobel's price rise were a decline in financing charges and a reduction in the average tax rate to 32 per cent from 31

### surpasses market forecasts

By Christopher Brown-Humes in Stockholm

SKF, the world's leading maker of roller bearings, yesterday posted a three-fold increase in first-quarter profits. fanning expectations that 1998 will be an exceptional year for Sweden's engineering sector. Pre-tax profits, at SKr907m

(\$123.7m), were SKr200m higher than market forecasts and reflected the group's success in improving volumes and prices in Europe and the US. The group's B shares rose SKr2

It is the third time this week that a Swedish Industrial

group has produced figures comfortably ahead of expectatloos, giving the stock

exchange a new spurt of life. A 17 per cent rise in dellyeries was the main reason for a 21 per cent jump in SKF's sales to SKrs.7bn, Higher prices, a better product mix and an acquisition accounted for the rest of the increase.

Mr Mauritz Sahlin, who yesterday stepped down as SKF's managing director after 10 years in the post, said: "The recovery in Europe continued for the third successive year, while the US is now into its fifth year of improved sales for SKF." The uprurn in Europe,

than in the US.

Sales to customers in the car and truck industry, the group's most important customer segmeot, rose strongly in spite of a slower rate of increase in new car sales in Europe and stagnating demand for cars in

helped by its involvement in successful car models, including the Flat Punto and Ford Mondeo. The group expects total vol-

where the company has 55 per cent of its sales, was stronger

Mr Sahlin said SKF had been

ume growth of 10-15 per cent this year and further increases in prices.

#### principal markets and improved productivity. in capital Shares in the commonths of last year. pany, which were issued at Operating profits rose by just The 35 per cent increase was under 40 per cent to \$141.7m. achieved on sales of \$778.6m, a FFr119.95, closed FFr2.5 lower-30 per cent rise oo the year The majority of sales was at FFr134.5 vesterday.

after Peugeot Talbot, the UK arm of the Peugeot Citroen

group of France, said it would

play an active role in the

By Haig Simonian. Motor Industry Correspondent

Vauxhall, the UK motor vehicles group owned by Gen-eral Motors of the US. is to invest £136m (\$220.32m) to lift prodoction by a quarter at its main Luton plant.

Mr Charles Golden, Vauxhall's chairman, said the decision was "an expression of confidence in the UK".

The move comes just a day

design and development of new models. The lift to both Vauxhall and Peugeot Talbot stems from their success in closing the productivity and quality gap

between their-plants and continental Enropean counter-

Vauxhall also announced

Vauxhall to spend £136m on Luton that pre-tax profits dropped to £79m last year from £185.1m in 1993. The decline was caused by the sharp slowdown in the UK car market in the second half of last year, leading to deep discounting, and a writeoff on the company's indirect stake in the Avis car reotal

husiness in Europe, Prospects for this year look no better. Vauxhall expects the car market to rise by 2 per cent at best to 1.95m units.

### Argentaria sees recovery in year

By David White in Madrid

Argentaria, the semi-privatised Spanish banking group, expects to recover this year before a share placement, expected in 1996, which would reduce the state's holding to a minority level. Consolidated net profits in

the first quarter were 6 per ceut lower than the same

period last year at Pta22.14bn (\$180m), However, this was a 134 per cent improvement on the previous quarter, and better than analysis forecasts.

Argentaria's shares rose 2.9 per cent to close at Pta3.960 in Madrid yesterday. Mr Francisco Luzón, chairman, said he thought the stock was at least 25 per cent undervalued compared with that of

other leading Spanish banks. He said the quarterly results were good and that they indicated a return to a "normal path". After deduction of minority interests, attributable group net profits fell 4 per cent to Pta19,94bn from the the same period of the previous year. But he said this was the highest of any Spanish bank-

#### Lisbon sets telecoms sale stake at 26.3%

By Peter Wise in Lisbon

Portugal is to privatise 26.3 per cent of Portugal Telecom in a global offer on May 25, the government announced yesterday. But it failed to reach a decision

on a floor price.

Analysts said the delay in fixing a minimum price, expected next week, reflected the government's reluctance to accept the price recommended by the banks co-ordinating the offer - Merrill Lynch, UBS and

S.G. Warburg. A Lisbon broker said highprofile investors were indicating that the sentiment of international financial markets was too negative to set a price much above Es2,500-Es2,700 a share. A price of Es2,500 a share values Portugal Telecom

at Es475bn (\$3.2bn). The government said 50m of Portugal Telecom's 190m shares would be sold in the operation, 23m to overseas investors in an international tranche divided between Lon-

don and New York. Of the 27m shares to be sold in Portugal, 17m are reserved for private shareholders of Companhia Portuguesa Rádio Marconi, the intercontinental telecommunications operator that is being merged with Portugal Telecom.

Private sbareholders, who own 49.6 per cent of Marconi, are being offered Portugal Telecom shares in exchange for their Marconi shares on the basis of a Marconi share valuation of Es6 500.

. . . . . .



#### annual general meeting of SECURITAS AB IN SWEDEN

Shareholders in Securitas AB are hereby invited to attend the Annual General Meeting to be held at 4.30 pm on Thursday. 18th May 1995 at Securitas, Lindhagensplan 70, Stockholm.

NOTIFICATION ETC

Shareholders wishing to participate in the Annual General Meeting must be registered in the share register maintained by Vardepapperscentralen VPC AB I"VPC", the Swedish Securities Register Centrel not later than Monday, 8th May. 1995, and must notify their intention to attend the Meeting not later than 4 pm on Monday 15th May, 1995 to the following address: Securitas AB. PO Box 12307, S-102 28 Stockholm. Sweden, or by telephone to: Int-46-8 657 74 00. Proxies shall be presented to the Company prior to the Meeting.

To be entitled to participate in the Annual General Meeting, shareholders whose shares are registered in the name of a trustee, through a bank or other institution serving as trustee, should request that the shares are temporarily re-registered in their own name in the share register. Shareholders must inform the trustee of such intentions in good time before Monday, 8th May 1995.

BUSINESS

Business that, under law and pursuant to the Articles of Association, must be addressed at the Annual General Meeting, including the presentation of the Annual Report and the Auditors' Report as well as the Consolidated Accounts and the Auditors' Report for the Group, resolutions concerning the adoption of the Balance Sheets and Income Statement and the Consolidated Income Statement and Consolidated Balance Sheets, the appropriation to be made of the Company's profits or losses as shown in the Balance Sheets adopted by the Meeting, the discharge of the Board of Directors and of the President from liability for the fiscal year, the establishment of the fees to be paid to the Board of Directors and auditors and the election of the members of the Board of Directors and auditors.

DIVIDEND The Board of Directors has decided to propose that the Annual General Meeting approve Tuesday. 23rd May 1995 as the record date for payment of dividends. If the Annual General Meeting approves the proposal, it is expected that dividends will be distributed via VPC on Wednesday. 31st

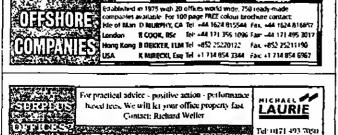
#### PROPOSAL FOR THE BOARD OF DIRECTORS

Shareholders representating together more than 50% of the votes in Securitas AB have declared that they propose re-election of the regular board members Melker Schörling, Gustaf Douglas, Thomas Berglund. Anders Frick, Berthold Lindqvist and Fredrik Palmstierna and deputy board member Carl Douglas.

Stockholm, April 1995 The Board of Securitas AB

#### **BANQUE NATIONALE DE PARIS**

USD 250,000,000 - floating rate due 1997 applicable interest, rate for the interest period from 26, 04, 95 up to 26.07.95 as delermined by the releience agent is 6,4375 per cent per annum namely USD 1627.26 per band of USD 100,000.



#### Residential Property Securities No. 1 PLC

£200,000,000

Mortgage Backed Floating Rate Notes 2018 Notice of Partial Redemption

5.G.Warburg & Co. Ltd. announce that Notes for the nominal amount of £2,800,000 have been drawn for redemption on 31st May, 1995, in accordance with Clause 5(b) of the Terms and Conditions of the Notes.

The distinctive numbers of the Notes drawn, are as follows:-41 67 97 125 154 180 207 236 263 316 343 369 396 424 451 477 504 531 586 614 640 1907 1933 1959 1987

On 31st May, 1995 there will become due and pavable upon resentation of each Note drawn for redemption, the principal amount thereof, together with accrued interest to said date, at the office of:-S.G. Warburg & Co. Ltd. 2 Finshiry Avenue, London EC2M 2PP

or one of the other paying agents named on the Notes. Interest will cease to accrue on the Notes called for redemption in and after 31st May, 1995 and Notes so presented for payment should have attached all Coupons maturing after that date. £71,300,000 nominal amount of Notes will remain outstanding after 71st May, 1995.

28th April, 1995

#### 

**BAYER AKTIENGESELLSCHAFT** PAYMENT OF DIVIDEND

NOTICE IS HEREBY GIVEN to shareholders that following a Resolution passed at the Annual General Meeting of shareholders held on 26th April, 1995, a Dividend for the year 1994 of DM, 13,00 per share of DM, 50 nominal will be paid as from 27th April, 1995 against delivery of Coupon No. 54. All dividends will be subject to deduction of German Capital Yields Tay of 26.875% (25% plus 7.5% "Solidarity Surcharge" on

the Capital Yields Tax). The net amount of dividend is payable in German Mail's. Paying Agents outside Germany will pay in the currency of the country in which the Coupon is presented at the rate of exchange on the day of presentation. Coupon No. 54 may be presented as from 27th April, 1995 at

the Company's Paying Agent in the United Kingdon S G Warburg & Co. Ltd. 2 Finsbury Avenue, London EC2M 2PP from whom claim forms may be obtained United Kingdom Income Tax will be deducted at the rate of 5% (5 pence in the £1) unless claims are accompanied by an affidavit.

German Capital Yields Tay deducted in excess of 15% is

recoverable by United Kingdom residents. The Company's United

Kingdom Paying Agent will, upon request, provide the

appropriate form for such recovery. Leverkusen 26th April, 1995

BAYER AKTIENGESELLSCHAFT

Südwestdeutsche Landesbank Girozentrale US\$150,000,000

Subordinated collared

floating rate notes 2004 Notice is hereby given that the notes will bear interest at 5.0625% per annum from 28 April 1995 to 30 October 1995. Interest payable on 30 October 1995 will amount to US\$311 55 per US\$10,000 nute.

Trust Company **JPMorgan** 

Agent: Morgan Guaranty

#### U.S. \$100,000,000 Allied Irish Banks Plc

mount at Registered Notes

INDEX POYON OF WHICH PROVIDE BEAUTY OF THE B the Notes, notice is hereby given, that for the three months interest Pariod for the firee months interest retrieva-from Anil 28, 1995 to July 31, 1995 the Notes will carry an Imerest Rate of 5 5975% per arraum. The interest payable on the relevant interest payment date July 31, 1995 against Coupon No. 40 will be U.S. \$174.62 and U.S. \$4,365.45 re-combinate by Notes and Commissions. specifiely for Notes in denominations of U.S. \$10,000 and U.S. \$250,000 The sum of U.S. \$174.62 will be payable per U.S. \$10,000 principa 3- The Chase Manhatten Back, N.A. London, Agent Back

# **AKZO NOBEL**

The Board of Management of Akzo Nobel N.V. - formerly Ak20 N.V. - announces that the Annual Meeting of Stockholders, held in the Hague on April 27, 1995, has decided to distribute for the fiscal year 1994 a dividend of NLG 7.00 per common share of

An interim dividend of NLC 1.50 was made payable on November 14, 1994. The final dividend of NLG 5.50 per common share, less 25% withholding tax, will be payable from May 15, 1995. Coupon No. 44 is to be surrendered to:

Paying agents in the United Kingdom: Barclays Global Securities Services 8 Angel Court Thogmorton Street London EC2R 7HT

Midland Securities Service Paying Agency Section 5th Floor Mariner House Pepys Street London EC3N 4DA

**U.K. Residents** Dividends so payable for U.K. residents will be paid less 15% withholding tax, and U.K. income tax will be deducted from the gross

Residents of other countries For residents of countries other than the United Kingdom with which the Netherlands has concluded a Convention for the Avoidance of Double Taxation, the rate of withholding tax (if any) will be adjusted upon presentation by the authorized depository of the necessary documents (Form 92, etc.). If no such form is submitted, withholding tax will he deducted at the rate of 25%. United Kingdom tax at the standard rate will be deducted unless claims are accompanied by the appropriate affidavit forms.

Information concerning any of the abovementioned documents may be obtained from Barclays Global Securities Services and Midland Securities Service.

Amhem, April 28, 1995

Alczo Nobel N.V.



for Reconstruction and Development ECU 450,000,000

Floating Rate Notes due 2002 In accordance with the provisions of the Notes, notice is hereby given that the Rate of Interest for the three month period ending also July, 1995 has been fixed at July, 1995 has been fixed at 5.75% per annum. The interest accruing for such three mouth period will be ECU 72.62 per ECU 5.880 Beater Note, and ECU 1.452.43 per ECU RELIBER Beater Note, on 31st July, 1995 against accountabling of Courter No. presentation of Coupon No. 13. Union Bank of Switzerland London Branch Agent Bank

Daiwa International Finance (Cayman) Limited U.S. \$200,000,000 Subordinated Floating Rate Notes due 2001 Guaranteed on a

36th April, 1998

The Dalwa Bank, Limited erest Period 28th April, 1905 to 31 of July , 1905 94 day . 1- 4875% per autour US SLAWYA

The Daiwu Bank, Limited Loodon Branch as Agem Bank

#### PETROFINA

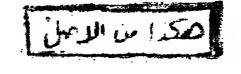
Shareholders are invited to attend the GENERAL MEETING in Brussels, at 52 rue de l'industne, on FRIDAY MAY 12, 1995, at 3 p.m.

(Brussels time), with this agenda: 1. Report of the Board of Directors on the financial year 1994. Auditor's report on the financial year 1994. 3. Annual accounts for the year ending 31st December 1994. Board of Directors' proposal to approve these accounts. 4.Allocation of profits. Board of Directors' proposal to distribute a gross dividend of 280 BEF per share together with a gross dividend of 40 BEF per share to mark the 75th anniversary of the company. 5 Discharge of Directors. Board of Directors' proposal to grant a discharge to the Directors for the performance of their duties during the course of the financial year 1994. 6.Discharge of auditors. Board of Directors' proposal to grant a discharge to the auditors for the performance of their duties during the course of the financial year 1994. 7. Statutory appointments: a) Board of Directors' proposal to re-elect Mr Axel de Broqueville and Mr Gérard Mestrallet as directors for a further period of 6 years. b) Board of Directors' proposal to re-elect Mr Michel C. Vaes for a further period of 3 years in the position of auditor. 8. Remuneration of auditors. Proposal to fix the remuneration of the auditors in accordance with the amount proposed by the Board and agreed by the auditors. 9 Any other business.

The meeting room will be accessible from 1.30 p.m. onwards. Before the meeting, at 2.00 p.m., a film about PetroFina's history will be shown.

The shares may be deposited until and included May 9, 1995 at: Banque Bruxelles Lambert Générale de Banque CGER-Banque Krediethank Banque Paribas Belgique Banque Nationale de Paris Crédit du Nord Banque Int. à Luxembourg Banque Gén. du Luxembourg ABN-Amro Bank Commerchank Deutsche Bank Dresdner Bank Crédit Suisse Société de Banque Suisse Union de Banques Suisses Credito Italiano Bardays Bank (Throgmorton St., London) Crubank N.A. (ADR Department) USA

The annual report is there also available The Board



ni 26. 1995عو

### Economic recovery helps US airlines to improve

MANTE ALL SALD IA Abbilly

Lisbon seb

telecoms s

Stake at 26

To Fash Maria Maria

side .

 $\mathcal{F}^{(1)}_{-}(\mathcal{D}_{2}) = \dots = \frac{1}{2}.$ 

PARTY STATE

A ....

= 1.7

Delta Air Lines yesterday joined several other US airlines in reporting a big improvement in its financial performance for the traditionally tough quarter to March, cutting oet losses from \$78m to \$11m before pre ferred stock dividends. Mr Ronald Allen, chairman

and chief executive, said the main reason for the improve ment was the airline's progress in cutting costs. Revenues were little changed at \$2.9bn because an increase in passenger numbers was offset by the continuing pressure on fares.

Net losses after preferred stock dividends fell to \$33m from \$105m and fully-diluted losses per share fell to 66 cents Like other US carriers, Delta

is benefiting from a number of favourable trends that suggest 1995 could be the first profitable year for the US airline industry since 1989.

Economic growth has increased demand for travel But like Delta, most of the big US airlines are continuing to suffer downward pressure on fares in their domestic market because of competition from

low-cost airlines.
As a result, the large carriers are trying to restore profitabil-ity by cutting costs. Labour costs are the main target, with airlines trying to persuade workers to take wage and ben-efit cuts. Meanwhile, aircraft deliveries have been delayed. roote oetworks have been rationalised, commissions to travel agents have been cut and all the airlines have enjoyed a bonus from historically low fuel prices.

By Maggie Urry In New York

Stroog performances from

nearly all its activities and a

\$25m fall in catastrophe losses

helped American International

Group, the insurance company,

increase net income by 13 per

cent to \$572m in the first quar-

ter, up from \$506m in the same

three months of 1994. Earnings

per share were \$1.81, up from \$1.59.

FIRST-QU	ARTER I	RESUL	rs		
		enues ibn		ome (loss	
	1995	1994	1995	1994	
UAL .	3,33	3.2	(10)	(106)	
AMR	3.14	3.03	37	23	
Delta Air Lines	2.90	2.88	(33)	(105)	
Northwest Airlines	2.04	1.92	47	4	
Continental Airlines	1.41	1.37	(525)	(28)	
USAir	1.76	1.69	(117)	(216)	
Southwest Airlines	0.62	0.62	12	42	
Note: figures for net income : stock dividends.	ara taken	after de	eduction of	preferre	

Source: company reports

tunes of Cootinental and

Southwest, both of which had been attacking its markets but

eventually eased up as their

own problems began to mount.

United Airiloes has also been doing well. Last year its

employees yielded big labour concessions in return for 55 per

cent of the company's equity, as a result of which the airline

has some of the lowest costs in

the industry. Recently it set up

a low-cost shuttle service

called Shuttle by United, which

is competing with Southwest

from not yet having reached a

cost-cutting agreement with

any of its employee groups.

Analysts find it all the more

impressive that it managed a

turnaround from losses of

\$23m to profits of \$37m in the

first quarter, helped by its suc-

cess in cutting non-wage costs.

figures were muddied by a

oumber of unusual items, but

operating profits were ahead

by 12 per cent to \$135m and the

airline seems to be continuing

Catastrophe losses fell from

\$55m in the first quarter of 1994, caused by the Californian

earthquake, to \$30m this year

reflecting the Japanese earth-

quake. AIG bad originally

expected a \$50m loss from the

Kobe disaster, but its latest

information from Japan had

enabled it to reduce the esti-

mate. That helped lift general

insurance pre-tax income by 28

per cent to \$446m.

its impressive recovery from

near-bankruptcy in 1993.

Northwest Airlines' earnings

American Airlines suffers

in California.

Still, not all the airlines are doing well. The Texas-based Continental Airlines last week reported an increase in losses caused by its attempt to start up its own low-dost service, Continental Lite. The service is to be eliminated by July.

Another Texas-based carrier, the low-cost Southwest Airlines, produced an uncharacteristic tumble in profits to \$12m from \$42m - partly because of the beat of the competition with Continental and partly because other larger carriers fought back against its inroads into their markets.

On the plus side, one of the most surprising performances came from USAir, the beleaguered carrier in which British Airways holds a minority stake. It roughly halved its losses to \$97m from \$197m before preferred stock dividends and to \$117m from \$216m after the dividend requirement. One factor was the mild win-

ter, which brought far less disruption to air travel in the USAir's east coast market than the previous year's unusually severe weather. But the airline also benefited from the misfor-

AIG beats forecasts with 13% advance

The results were better than

forecasts, which averaged \$1.72

a chare, and the shares rose in

morning trading, hy \$2% to

Mr Maurice Greeoberg, chairman, said: "AIG had an excellent first quarter with

particularly strong performance by our domestic and

foreign geoeral insurance

operations, and our worldwide life insurance business."

#### Investors give strong backing to **UBS** board

INTERNATIONAL COMPANIES AND FINANCE

By lan Rodger in Zurich

Shareholders of Union Bank of Switzerland gave a strong vote of confidence to their beleaguered directors at yesterday's annual meeting, rejecting Mr Martin Ebner's proposals to withhold the customary approval of their condoct.

The vote to discharge directors of their responsibility for last year's affairs was carried at the annual meeting by an overwhelming 75 per ccot majority.

However, the tong running governance dispute between Mr Ebner, chairman of BK Visico, UBS'e largest sbareholder, and the bank's direc-tors appeared to intensify. Mr Nikolaus Senn, the UBS chairman, attacked Mr Ebner as a raider with no interest in the future well being of the bank.

He said Mr Ebner was in the category of raiders who "uses catchwords sncb as 'added value' or 'representation of shareholders' rightful interests' to disguise his ultimate goal: the company's capital". He also criticised Mr Ebner for claiming that UBS was not

responsive to shareholder concerns, but not taking up the bank's offer to name directors. BK Vision is challenging in Swiss courts a decision taken at a shareholders' meeting last November to convert registered shares into bearer shares, thereby undermining the extra voting power of the registered shares.

Mr Senn said BK Vision had refused a proposal to take the dispute directly to the Federal Court to hasten a resolution. Mr Ebner made oo comment

at the meeting. UBS said its consolidated net income in the first quarter of 1995 was "roughly on a par" with the weak result recorded in the same period of last year. No figures were given. The bank said trading income showed a "pleasing improvement", but net com-

mission and interest income showed slight declines. The bank said it was optimistic, but markets would bave to pick op "snbstantially" if the trading side was to reach its ambitious targets.

### **Telmex blames** heavy forex loss for fall into red

By Daniel Dombey

Teléfonos de México (Telmex), Mexico's biggest private com-pany and until now its most profitable, posted first-quarter losses of 390m pesos (\$67m), which it blamed principally on a foreign exchange loss of

Analysts were surprised by the former state-run telephone mocopoly's better-than-expected operating profit of 3.48bn pesos, achieved, in spite of the country's economic crisis. through a reduction in capital expansion and an increase in telephone call revenues. The peso slumped some 22 per cent

three months of the year, but has recovered some of its ground in April. Telmex maintained operating profit margins at just under 40 per cent, down from 44 per cent a year before. First-

quarter reveoues grew to 8.77bn pesos, up 9.8 per cent in real terms over the same period last year, with income from international longdistance calls jumping 47 per cent. Revenues from local calls, which represent 43 per cent of total sales, grew 2.1 per cent in real terms. The figures reflected the fact

against the dollar for the first

that the dollar payments for incoming calls were worth more in pesos after the devaluation, and the more cost-effective installation of new lines.

These results are slightly better than we expected," said Mr Jorge Sanchez, a telecommunications analyst with Vector, a Mexico City brokerage.

The Telmex figures follow other results - such as those of the country's largest banks which show that Mexico's expected economic contraction of between 1.5 per cent and 4 per cent for 1995 has yet to cut into company earninge as much as feared.

Nevertheless. acknowledged it was entering a period of consobdation. Total capital expenditures, which have hovered around \$2bn annually for the past several years, are set to be trimmed to \$1bn in 1995.

"Given the companies that are going to come into the sector and the inevitable capital depreciation, Telmex cao't keep these low levels of capital expenditure forever, and that's going to be a burden [since much of capital expenditure is for goods with dollar price-tags)," said Mr Felix Boni, head of analysis for Interacciones, a Mexican stockbroker.

Earlier this week, the Mexican senate approved legislation paving the way for competition vices in 1997.

#### Xerox posts 14% rise in opening three months

By Lisa Bransten in New York

Xerox yesterday reported a 14 per cent rise in net income for the three months to end-March, belped by strong sales of document processing equip-

The company also announced further steps in its plans to leave the insurance business, which incorred losses in the first quarter.

Mr Paul Allaire, chairman and chief executive, said the company had signed an agreement to sell its Viking Insurance Holdings subsidiary to Guaranty National for more than \$100m and had completed the sale of Constitution Re to Exor America.

The group's first-quarter net

income was \$147m against \$129m for the same period last year. Fully-diluted earnings per share were \$1.20 against \$1.03 last year. Excluding the insurance

business, revenues rose 15 per cent to \$3.77bn, and earnings per share were \$1.54 - well above the mean estimate of \$1.48 per share. The shares lost \$4 at \$121%

in early trading.

#### Instituto de Crédito Oficial

U.S. \$450,000,000 Statutorily Gueranteed

Floating Rate Notes due 1997 **NOTICE OF PURCHASE OFFER** 

Notice is hereby given of the intention of Goldman Sachs International ("GSI") to make an offer (the "Offer") to purchase any or all of the principal amount now outstanding of the U.S. \$450,000,000 Statutorily Guaranteed Floating Rate Notes due 1997 (the "Notes") issued by Instituto de Crédito Official ("ICO"). Notes purchased by GSI pursuant to the Offer will be sold to ICO for delivery and cancellation on 1st June 1995.

GSI intends to make the Offer during the period from and including 28th April 1995 until no later than 12 noon on 19th May 1995 (the "Purchase Period"). The price at which GSI will purchase Notes under the Offer will be 100:35 per cent. of their principal amount (the "Purchase Price").

Noteholders may accept the Offer by leiephone on any business day between 9.00 am and 5.00 pm (London time) during the Purchase

Notes sold pursuant to the Offar may only be delivered and paid for through the Euroclear or CEDEL systems. To participate in the Offer, Noteholders who do not have an account at Euroclear or CEOEL may deliver their Notes through a bank, custodian or other financia intermediary which maintains an account with Euroclear or CEDEL. Settlement with respect to acceptance will be on 26th May 1995 Interest on the Coupons attached to the Notes delivered pursuant to this notice and accrued to the settlement date will be paid together

with the Purchase Price. ICO has stated to GSI that it reserves the right to make further purchase offers in respect of the Notes in the event that acceptances

for all Notes now outstanding are not received. GSI is not acting for addressees of this Notice and it will not be responsible to addressees for providing protections afforded to customers of GSI and it is not advising addressees as to the arrangements described above. Holders of Notes who are in any doubt as to their position should consult their stockbroker, solicitor or other professional adviser.

Any questions with regard to this Notice and acceptances of this offer should be directed to:

Angela Yorath Tel: |44 171) 774 23 26 Fax: (44 171) 774 57 11

Fiona Stenhouse

Fax: (44 171) 774 57 11 both of:

Goldman Sachs International Pelerborough Court, 133 Fleei Street. London EC4A 2RB

#### ATLANTAS SICAV

20, Boolevard Emmanuel Servais L-2535 Laxembourg R.C. Luxembourg B 33 188

AVIS AUX ACTIONNAIRES

L'ASSEMBLEE CENERALE ORDINAIRE DES ACTIONNAIRES pii se tiendra au siège notial à Lanzembourg le 18 Mai à 14h30, avec l'ordre du jour suivant

ORDRE DU JOUR

Rapport de gestion du Conseil d'Administr Rapport du Réviseur d'Entreprises; 3. Adoption des comptes de l'exercise se terminant le 31 Décembre 1994;

 Ratification de la ecoptation de Monsieur Luc GREGOIRE en han que neuvel adminstrateur en remplacement de Monsieur Johny HETTINGER, démissionna 6. Decharge nux Administrateurs et no Revineur d'Entreprises; ction des organes sociues:

Réflection du Réviseur d'Entreprises;

Les résolutions des actionnaires lors de l'Assembleé Générale Ordinaire seront votées » une majorité sémple des actio Chaque action a un skoh de vote.

Tout actionnaire peut voter per mandatais

Peur la Societé, BANQUA DE GESTION EDMOND DE ROTHSCHILD LUXEMBOURG S.A. 28, Boulevard Europaonel Servaio

L · 2535 Lexemburg



#### Our 206th business year

Extracts from our annual report for the year ending December 31, 1994 Sal. Oppenheim jr. & Cie. Kommanditgesellschaft auf Aktico

Key data (in DM million)	13.5 Ly 5 C.1
Business Volume	.11:028 10.3
Total Assets	10,724 9,9
Deposits	8 548 7.8
Bills and Advances	3,647 5,8

The Partners Cologne/Frankfurt/Munich, April 1995

ECU 300,000,000

Kingdom of Belgium Floating Rate Notes due 2000 For the period from April 28, 1985 to July 31, 1995 the Notes will carry an interest rate of 6"hat per amum with an interest amount of ECU 1,656.42 per ECU 100,000 Note.

#### US \$100,000,000 Credit du Nord

Floating Rate Notes due 1997 For the period from April 22, 1985 to July 31, 1995 the Notes will carry an interest rate of 6k% per annum with an interest amount of US \$168.19 per US \$10,000 Note.

. D... BANQUE PARIBAS

#### Central Hispano Financial Services Limited U.S. \$ 100,000,000 Primary Capital Guaranteed Floating Rate Notes due 2006 with a substitution guarantee on a subordinated basis of Canco Central Hispanoamericano, S.A.

April 27, 1995 to October 27, 1995 (183 days) 8.4375% p.a. Coupon Amount: U.S.\$ 327.24 per U.S.\$ 10,000 Note Payment Date: October 27, 1995

In accordance with the provisions of the Notes the following notice

Frankfurt/Main, April 1995 COMMERZBANK SE

#### Sakura Finance Asia Limited Mitsui Finance Asia Limited U.S.\$150,000,000

**Guaranteed Floating Rate Notes 1997** In accordance with the provisions of the Notes, notice is hereby given that for the three month period 28th April, 1995 to but excluding 31st kely, 1995 the Notes will carry an interest Rate of 6.4375% per annum. Coupon will be U.S.\$168.09 on the Notes of U.S.\$1000.

SAKURA TRUST INTERNATIONAL LIMITED

Citicorp Banking Corporation reported in the State of Deloward By guaranteed on a subordinated basis by CITICORPO

CITIBANCO

#### **AssiDomän**

#### **ANNUAL GENERAL MEETING**

Notice is hereby given to shareholders in AssiDomán AB (publ) that the Annual General Meeting will be held at 3.00 pm on Monday, May 8, 1995 at Stockholm International Fairs, Mässvägen 1, Älvsjö, Stockhol

NOTIFICATION, ETC.

Shareholders who wish to participate In the Annual

General Meeting shall · be entered in the register of shareholders maintained by Värdepapperscentralen VPC by Friday, April 28, 1995.

· notify the company by no later than 4pm on Wednesday, May 3, 1995.

Notification of intent to participate in the Annual General Meeting may be given by telephoning +46 (8) 728 08 00, +48 (20) 93 71 71 (automatic telephone answerer), by faxing +46 (8) 728 08 74, or by writing to AssiDoman AB, Group Staff Financial Systems and Finance, S-105 22 Stockholm, Sweden. When sending notification shareholders should state their name, personal identity number or compeny registration number, and their address and telephone

Shareholders, whose shares are registered in the name of e nominee through a bank or securities institute, must have their shares re-registered with VPC in their own name by Friday, April 28, 1995 in order to participate in the Annual General Meeting. Requests to have shares re-registered should be submitted well in advance of April 28, 1995.

AssiDomán will confirm receipt of notification by aending an entry ticket to be presented et the entrance to the venue. AGENDA

1. Business which le incumbent on the Annual General Meeting either statutorily or according to the company's articles, including the presentation of the annual report and accounts and the report of the auditors, the consolidated finencial statements and the report of the auditors on the consolidated financial statements, resolutions on the adoption of the profit and loss account and balance sheet, and the coneolideted profit and loss account and the consolidated balance sheet, discharge of members of the Board and the Managing Director from liability, treatment of the

unappropriated earnings as stated in the adopted balance sheet, resolution concerning the number of members and deputy members of the Board, resolution concerning the fees of the Board members and auditors, end election of members of the Board and auditors.

2. Proposals to be submitted by the Board for decision concerning a change in the company's articles of association, whereby

that from §1 it shell be made clear that the company is a public company and that the name of the company shall be accompanied by the designation (publ) and

that e new paragraph be entered into the articles immediately after §9 having the following wording: "The chairman of the Board or a nominee of the Board shall open the General Meetings of the company and lead the discussions until the

#### chairman of the Meeting has been elected." **ELECTION OF MEMBERS OF THE BOARD**

Shareholders, who together represent some 52.5% of all the votes in the company, intend to recommend that the following ordinary members of the board be re-elected: Lennart Ahigren, Hans Carlsson, Annika Christiansson, Bertil Danielsson, Matts Ekman, Ingrid Flory, Bertil Hagman, Olof Lund, Bo Dockered and Per Tegner: and that Anne-Stina Nordmark be elected. Nils G Asling le not standing for re-election.

Margith Burman, Roland Johansson and Lars-Olof Pettersson will continue as representatives of the

The Board proposes to pay a dividend of 3.25 kronor per share. Thursday, May 11, 1995 is proposed as the record date for entitlement to dividend. Provided the Annual General Meeting resolves in accordance with this proposal, it is expected that dividends will be distributed by VPC on Thursday, May 18, 1995.

Stockholm, April, 1995 Board

S.t Eriksgatan 117, S-10522 Stockholm Tel: +468-728 08 00 Fax; +468-728 08 74

#### INTERNATIONAL COMPANIES AND FINANCE

### Electrolux details | Qantas finds privatisation route far from smooth expansion plans for Indian market

By Shiraz Sidhva in New Delhi

Electrolux, the world'e biggest household appliances manufacturer, yesterday announced details of its expansion programme into India's expanding white goods market, including plans to produce locally 1m refrigerators annually in the next five years.

The company plans to establish a foothold with local manufacturing to capitalise on the 20 per cent growth rate of the Indian white goods market.

Earlier this month, the Swedish multinational acquired a 51 per cent majority stake in Maharaja International (now called MILI, a publicly-quoted Indian white goods manufacturer, for \$13.3m. Electrolux will invest \$25m to upgrading MIL's production facilities in Shahjahanpur, near Delhi.

MIL. which attempted to enter the refrigerator market in 1992 but made little head-

way, will now have access to Electrolux's state-of-the-art refrigerator technology. Electrolux, which had earlier tied up with Kelvinator, a leading Indian refrigerator manufacturer, recently sold its 12 per cent shareholding in the company after the agreement ran into trouble over share prices.

Whirlpool, the US white goods group, has since taken a controlling stake in Kelvinator, although Electrolux says it retains the right to use the Kelvinator brand name.

Electrolux said it would eventually set up a full range of manufacturing facilities for household appliances in India, as it had in China, where it would invest \$100m in the next three to five years,

A similar investment is envisaged for India, which will help it meet its target of doubling net sales in new markets to \$2.8bn from \$1.4bn in five

# **Meridien BIAO seeks**

Meridien International Bank (MIBL), which has a 74 per cent stake in Meridien BIAO, was put into liquidation following a ruling by the Bahamas Supreme Court on Monday. The Central Bank of Swaziland initiated action to

represented 10 per cent shareholder African Development Bank on the board of Meridien BIAO and is one of three men appointed on Tuesday to the interim management committee, said: "The point I have made to tha liquidator is that we should be treated in a different way. Meridien BIAO owes money to MIBL but it is no use calling in the debt as this could lead to

Meridien BIAO is understood to owe MIBL about \$50m arising from loans and overdrafts extended to it. However, MIBL is believed to

owe the network substantial amounts of money following deposits made with MIBL by individual Meridien BIAO banks in the 20 countries where the group has been operating.

Mr Susungi said: "What I am suggesting is that the liquidator finds a huyer for MIBL's 74 per cent stake even if it is for a nominal amount, but a buyer that will clear the

The committee hopes the buyer will be a banking group which will help it gain banking

#### Qantas .



TPC approval would be a

considerable lift for Qantas,

which is only months away

The two airlines quantified

ment-controlled carrier. Even

in the light of Qantas' improved profitability -

the airlines, which could come

Local investors' concerns

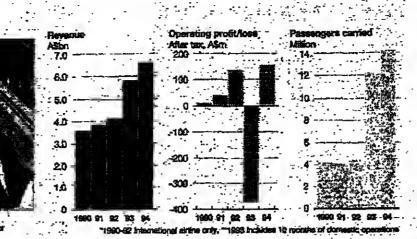
as the simmering issue of who

will ultimately control Ansett,

Australia's second national

carrier and Qantas' main

from a stockmarket float.



the benefits of their original agreement at about A\$90m A\$12.3bn budget deficit in (U\$\$64.2m) a year, two-thirds going to the Australian govern-1994-95 to a surplus in 1996-97, wants to raise about A\$2bn from the sale of its 75 per cent interest in Oantas. Earlier this year, it set the end of August A\$128.7m after tax in the six as the date for the money to

months to end-December come in.

The first hurdle is the govsums of this order are signifiernment'e aversion to raising the foreign ownership limit But a favourable roling for above 35 per cent. Given British Airways' 25 per cent interest, this means that only about today, would still leave some problems on the path to a flota-13 per cent of the government's shares can be sold to overseas have still to be allayed, as well

If the A\$2bn goal is to be reached, about A\$1.75bn must come from domestic institutions or private investors. Float advisers have been

domestic competitor. Australia's federal governstriving to dispel any reservament, which has pledged to tions potential investors might move from an estimated have about investing in airlines. Concern has been expressed about the industry's exaggerated profit cycles. In pre-float meetings, advis-

ers have stressed Qantas' exposure to Asia, where air traffic is expected to grow at aboveaverage rates - possibly 8 per cent a year - for the next decade Sir Colin Marshall, BA's

chairman, has also chipped in, telling securities industry pro-fessionals in Sydney last month that he believed it would take another two years before excess capacity from the last industry shake-out, in the early-1990s, was absorbed.

But Standard & Poor's, the US credit rating agency, has warned that Asia faces its own competitive pressures. "The continuing push by many operators to seek route expansion improvement," It said in a recent report.

indeed, regional hagging is all too evident in a dispute between the Australian and Hong Kong governments. The argument centres on the amount of intra-Asian traffic Qantas should be allowed to carry on flights out of the colony to Bangkok and Singapore.

nues at Cathay Pacific, the Hong Kong carrier, the HK authorities want to can this. The Australian government, which maintains that Qantas is acting within its rights, has countered by approving Cathay's services to Australia for only two more months. The matter remains unresolved. and some estimates put the

The airline needs to win over local investors and allay concerns about its rival Ansett, writes Nikki Tait

A second area of focus has been costs. Qantas is the result of the 1992 merger of Australia's overseas flag carrier, and Australian Airlines, one of the two big domestic operators.

A shakeout of the old Qantas management followed, as well as complex labour negotiations to put the two employee structures on a common footing. Mr James Strong, managing

director, has claimed that the recent profits upturn is not short-term fillip, but a reflection of changes in the airline's internal operations.

The merger makes long-term term comparisons difficult, but there have been encouraging signs. Available tonne kilometres per employee, a stan-dard measure of productivity, undged up last year, and appear to have improved further in the most recent half.

However, while most analysts agree progress has been made, some believe the gains have come predominantly from productivity improvements -including better yield management and aircraft utilisation. The tougher issue of bringing underlying costs into line with competitors has only just

What they appear to have done is caught up in terms of productivity. The actual cost structure has a fair way to go says one Melbourne-based

Finally, there is big question

revenues involved at about of what happens to Ansett, Australia's second national carrier which is owned jointly by Mr Rupert Murdoch's News Corporation and TNT, the

transportation group. bout half of Qantas' profit comes from the Australian market, where overall margins are higher and where it has been gaining share at Ansett's expense. It claims to outstrip

its competitor But News has been talking to Air New Zealand about selling it a stake in Ansett, and a trans-Tasman alliance with the NZ carrier would almost certainly make Ansett a stronger

. Let

gaker

alations

---

The problem is how to structure such a deal. Ansett provides domestic competition to Air NZ in New Zealand, and neither the NZ government nor the country's competition authorities are likely to welcome a return to a monopoly situation.

A second issue is how much of Ansett Air NZ might be able to buy while still ensuring the carrier is deemed to be in Australian control - and how such a transaction might be funded. In addition, there is the question of what happens to Qantas near-20 per cent holding in Air NZ

Confronted with these problems, it is questionable whether the trans-Tasman situation can be resolved before.

# special debt treatment

The interim management committee of Meridien BIAO, the troubled African banking group, yesterday outlined a survival plan it has put to accountants KPMG Peat Marwick, the liquidator of Meridien International Bank. its main shareholder.

liquidate the bank.

Mr Nfor Susungi, who

the collapse of the group. What is more, MIBL owes us

### HK fund managers worried over H-shares Pepkor posts sharp rise

Fund managers, worried about a lack of transparency and the use of funds for purposes other than those set out in listings prospectuses, are disappointed with some of the management teams at Hong Kong-listed Chinese companies. Renter

reports from Hong Kong. The state-controlled companies, which issue H-shares in Hong Kong, have recently reported generally indifferent results, featuring, at best, a near-200 per cent rise, and at worst, a more than 44 per cent fall in net profit.

was a very difficult year," said Mr Steve Luk at Jardine Fleming Unit Trusts.

However, the fund managers expressed concern that a lack of transparency made it difficult to analyse performances. They were worried about the use of listings' proceeds.

More than half of the 15

H-share companies are still holding on to most of their initial public offer proceeds, blaming a difficult market or saying the Chinese government's austerity measures have slowed expansion.

"I am not satisfied [with the Fund managers say some companies have used the proearnings), but looking at Chiceeds to invest in stocks and na's macro-economy in 1994, it.

real estate or have lent money. instead of repaying loans or expanding production as they stated in prospectuses.

"It's very disappointing," said Mr John Pennink, who manages a China fund at Regent Fund Management, He cited Tsingtao Brewery which said its Yn700m (\$83.1m) in unused proceeds has been placed with banks and other financial institutions. Some analysts fear the money might be at risk, as no-one fully understands what will happen to China's banks if the government unravels the chains of debts between state enter-

Tsingtzo this week reported net profits for 1994 of Yn108.2m, a 42 per cent decline on the previous year. This prompted a 10 cent fall in the Hong Kong share price to

HK\$2.95 yesterday. Beiren Printing Machinery said it had invested in stocks mostly Hong Kong-listed, and real estate. The management explained that what they did was for the benefit of investors," Mr Luk said. In fact, the stock investment led to a donble loss for the company because of a 31 per cent fall in Hong Kong stocks last year and the yuan's rise against the Hong Kong dollar.

#### in earnings to R202.9m By Mark Suzman . . . losses incurred by the super-

in Johannesburg

Pepkor, South Africa's biggest retail group, saw profits before extraordinary items for the year to end-February rise 48 per cent to R202.9m (\$56.4m).

retailing rose 17 per cent to R9.68bn from R8.25bn and operating profit grew 32 per cent to R364m from R275.6m."

cent to R94.6m from R80.5m because of accumulated tax year.

market subsidiary Shoprite,

79.3 cents. A dividend of 26 cents was

chairman, said he expected the strong profit growth to continue for at least the first six months of the next financia

#### Saga Petroleum a.s. **Notice of Annual General Meeting**

The Annual General Meeting will be held at 1700 hours, Monday 15 May 1995 at Auditoriet, InfoRama/Rica Hotel Oslofjord, Sandviksveien 184, Sandvika (Oslo), Norway.

Agenda:

A briefing by the Company's Management.

The Board's Annual Report, Income Statemant, Balance Sheet, and allocation of profit. Recommendation of a dividend of NOK 2.00 per share. Consolidated Income Statement and Balance Sheet.

Determination of remuneration to the Auditor.

Election of members and deputies to the Corporate Assembly. Proposal lo change Section 10, 5th paragraph of the Articles of Association so that the time period is reduced from 4 weeks to 5 days. The paragraph is proposed to read: "Shares that are assigned do not carry voting rights until 5 days after the assignment has been reported to the company." The proposal is made in order to obtain listing of the shares on the New York Stock Exchange.

Shareholders wishing to attend the Annual General Meeting or to be represented by proxy are kindly requested to lorward notice by 1500 hours, Thursday 11 May 1995 to Kreditkassen, Verdipapirservice, P.O.Box 1166, Sentrum, 0107 Oslo, Norway.

Notification may also be given to Kreditkassen, Verdipapirservice by telephone +47 22 48 45 07 or +47 22 48 47 31 or telefax

+47 22 42 71 35. Shareholders unable to attend may vote by giving written power of attorney to a proxy.

If no other proxy is desired, one of tha tollowing may be named above: The Corporate Assembly's Chairman, Torbjøm Haug, the Board's Chairman, Wilhelm Wilhelmsen, the Board's Deputy Chairman, Andreas K.L. Ugland or Saga's President and Chief Executive Officer, Asbjørn Larsen. If the Annual General Meeting approves tha proposed dividend, the shares will be quoted excl. dividend at Oslo Stock Exchange

Dividends will be forwarded on 30 May 1995, directly to those listed as shareholders in the share register on 15 May, or to those who according to the share register have been given a right by the holder to receive dividends. The shareholders are therefore asked to report share transactions, change of address, etc. as soon as possible to tha bank/stockbroker with whom they have their securities

When dividende are paid to non-Norwegian shareholders, Norwegian tax will be deducted in accordance with existing rules.

Sandvika, 9 March 1995

Chairman of the Corporate Assembly

Saga Petroleum a.s. 4

Notice of General Meeting of Sharsholders

PRESIDENT ENTERPRISES CORP.

Notice of 1995 Annual General Meeting of Shareholders of President Enterprises Corp. ("PEC").

PEC will hold its 1995 annual general meeting of shareholders at 9:00 a.m. on Thursday, June 1, 1995, at the head office in Teinen, Taiwen.

(a) Report on 1994 business operation:
 (b) Proposal for acceptance of 1994 financial statements and supervisors' report:
 (c) Proposal for the distribution of earnings for 1994:

The following have already been resolved by the Board of Directors, and put torward to the General Meeting of Shareholders for approval:

To appropriate NT\$2,603,480,000 from retained earnings and NT\$946,720,000

from capital reserves for capital increase, with per value of NTS10 per phare, in an aggregate of 355,020,000 Common Shares to be listed and distributed. Holders

of every 1,000 issued and outstanding Common Shares are entitled to receive 300 new Common Shares. The right and obligations of the new Common Shares are

ent to the Articles of Incorporation;

统一企業公司

with Emited liability in Taiwen, the Flezublic of China





The Board of Management of Akzo Nobel N.V. - formerly Akzo N.V. – announces that on April 27, 1995 the results for the first quarter of 1995 were published. Copies of this report may be obtained from the London Paying Agents:

**Bardays Global Securities** 8 Angel Court Thogmorton Street London EC2P 7HT

Union Bank of Switzerland

26th April, 1995

London Branch Agent Bank

or from the offices of Akzo Nobel N.V. Velperweg 76 P.O. Box 9300 6800 SB Arnhem the Netherlands

Unken Bank of Switzerland

Midland Securities Service **Paying Agency Section** 5th Floor Mariner House Arnhem, April 28, 1995 Pepys Street London EC3N 4DA Alczo Nobel N.V.

Espirito Santo Financial Holding S.A.

U.S. \$100,000,000

Floating Rate Notes due 1996

In accordance with the provisions of the Notes, notice is hereby

given that the Rate of Interest for the six month period ending 31st October, 1995 has been fixed at 7.3125% per annum. The interest accruing for such six month period will be U.S. \$3,778.13 per U.S. \$100,000 Note against presentation of Coupon Number 9.

From: The Board of Cirectors of PRESIDENT ENTERPRISE

the same as those of the Common Shares pricinally issued.

U.S. \$27,000,000 Subordinated Floating Rate Notes due 2002

In accordance with the provisions of the Notes, notice is hereby given that the Rate of Interest for the three month period ending 31st July, 1995 has been fixed at 7.115% pt annum. The interest accruing for such three month period will be U.S. \$10.428.13 per U.S. \$500.000 Note against presentation of Coupon Number 12.

Union Bank of Norway

Union Bank of Switzerland London Branch Agent Bank 26th April, 1995

The agenda includes the following:

Proposal for capital increase in 1995

(f) The election of the directors and supervisors; and (g) Other processals.



#### JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LIMITED ("the Company")

(Incorporated in the Republic of South Africa)

Registration No. 01/00429/06

NOTICE TO HOLDERS OF SHARE WARRANTS TO BEARER Holders of share warrants to bearer are notified that, as result of the approval of the terms of the restructuring of the Company's assets and the distribution to shareholders, as detailed in the Circular to Shareholders dated 27th February 1995, existing share warrants to bearer will cease to be of value, other than for surrender as referred to below, from 15th May, 1995.

The Exchange Control Regulations of South Africa prohibit the issue of new securities in bearer form and holders of share warrants to bearer will therefore receive one registered share in each of the three new entitles - Anglo American Platinum Corporation Limited, JCI Limited and Johnnies Industrial Corporation Limited - for each bearer share presently held.

In order to receive the registered abures, bearer bolders are require

surrender their share warrants to bearer, together with a duly completed Form of Surrender, to Barclays Bank PLC, Barclays Global Securities Services, & Angel Court, Throgmorton Street, London ECZR 7HT. Share certificates will be despatched to the address stated on the Form of

Surrender on 15th May 1995 in respect of warrants surrendered on or before 5th May 1995 or within 7 business days in respect of warrants surrandered thereafter. Holders of share warrants to bearer are reminded that any compons up to and including coupon number 139 (with the exception of coupon number 122) not previously surrendered may be valid for the payment of outstanding dividends Any such coupons may be listed on forms obtainable from Barciays Global Securities Services and deposited for examination any week-day (Saturdays excepted), whereupon payment will be made 5 business days thereafter.

Coopons numbered 140 - 143 and talon number 7 will be of no value. 28th April 1995

#### Kansallis-Osake-Pankki (Incorporated with limited liability in Finland)

Notice of Substitution of Principal Debtor to the holders of the outstanding Notes issued under the

U.S. \$2,000,000,000 Euro-Medium Term Note Programme (the "Programme")

Kansallis-Osake-Pankki NOTICE IS HEREBY GIVEN to the holders of different series of Note issued under the Programme that, pursuant to Condution 12 of the Terms and Conditions of the above Nores (the "Nores") with effect on and from

(1) Union Bank of Finland Ltd, a company incorporated and establish in the Republic of Finland, will pursuant to the provisions of a Deed Poll, be substituted in place of Kansallis-Osake-Pankki (the "Bank") as the principal debtor in respect of the Nores and the coupons appertaining thereto (the "Coupons"); and

(2) the Bank will, in such Deed Poll, urevocably and unconditionally guarantee all the obligations of the substituted debtor arising from, or in connection with, the Notes and the Coupons. For the Issuer

Fiscal and Principal Paying Agent Bankers Trust Company
1 Appold Street Broadgate London EC2A 2HE

Bankers Trust Company, London

18th April 1995

Paying Agent Bankers Trust Luxembourg S.A. P.O. Box 807 14 Boulevard F.D. Roosevelt L-2450 Luxembourg --

Fiscal and Principal

Paying Agent

➤ Real-time U.S. & international quotes on over 90,000 issues ➤ As low as \$9/day, Call today: 44 + (0) 171 600 6101

Petroleum Argus Daily Oil Price Reports 'All the spot price information you require for Global Crude end Products markets' — Petroleum Argus — CALL NOW for a FREE TRIAL [34 171] 356 879

# per cent to 107.9 cents from

from R136.8m a year earlier. Turnover in the group, which specialises in discount

Taxation rose just 17 per

helping raise after tax profits 51 per cent to R278.2m from Barnings per share rose 36

declared, raising the total dividend to 36 cents, up 20 per cent from 30 cents.

(Registered in Curação No. 41415)

Notice of Annual General Meeting iders of Intrum Justicia N.V. are hereby given notice in amend the Annual General Meeting of Shareholders which will be held on Tuesday May 23, 1995 at 10.00 hours, at Business Center Zeelandia, Polarisweg 28, Willemstad, Curação, The Notherlands Antilles.

The following items are on the agenda for this Meeting:

Determination of the balance sheet and the profit and loss account for the liscal year ended December 31, 1994. Approval of the interim dividend of 1.1 pence per share, paid oo November 4, 1994.

Declaration of final dividend of 2.2 pence per share, payable on June 2, ment of the present member of the Board of Managing Reappo Directors of the Company to serve the Company until the next Annual

General Meeting. intment of Mesars. Hans G. Bagner, Frederick G. Chiswell, Harry H. M. Groen, Bo S. Goranson, Peter C. F. Hickson and Dennis G. Punches as Supervisory Directors to serve the Company until the

Reappointment of Coopers & Lybrand as studitors of the Company for the current fiscal year and authorization of the Board of Directors to fix Appointment of Mr. Hendrik Schutte as Managing Director to serve the Company until the next Annual General Meeting.

Resignation of Mr. Bertil K. A. Fahlstrom as Managing Director and

thereby granting hoooorable discharge for his coodoct of the Agenda and its enclosures can be obtained at the Registered Office of the Company, Chumaceirokade 3, Willemstad, Curação, The Nethertands Antilles, tel. 5999657022, fax 5999657543, with The Registrar: The Royal Bank of Scotland; P.O. Box 435, Owen House, 8 Bankhead Crossway North, Edioburgh, EHII OXG Scotland; with the Kredietbank S.A. Luxembourgeoise, 43 Boulevard Royal, L 2955 Luxembourg, Luxembourg, and with James Capel, Thames Exchange, 10 Queen Street Place, London EC4R 1BL, United Kingdom.

Shareholders can attend the meeting in person or may be represented at the meeting by proxy. To this effect the holders of the registered shares are requested to complete a proxy form together with their voting instructions and mail these to The Registrar:

The Royal Bank of Scotland Pic., P.O. Box 457, Owen House, 8 Bankhead Crossway North, Edinburgh EH11 0XG, Scotland.

Holders of bearer shares are requested to deposit their shares with a bank and to arrange for the completion and execution of a certificate of deposit which should be sent with the proxy forms and voting instructions so as m be received by The Royal Bank of Scotland no later than May 15, 1995 at

. Intrum Justitia N.V.

### CITICORPO

U.S.\$350,000,000

Subordinated Floating Rate Notes Due November 27, 2085
Notice is hereby given that the Rate of Interest has been fixed at 6.1625% in respect of the Original Notes and 6.25% in respect of the Enhancement Notes, and that the interest poyoble on the relevant Interest Poyment Date May 31, 1995 against Coopen No. 114 in respect of US\$10,000 nominal of the Notes will be US\$56.49 in respect of the Enhancement Notes.

U.S.\$500,000,000 Subordinated Floating Rate Notes Due October 25, 2005
Notice is hereby given that the Rate of Interest has been fixed at
5.1625% and that the interest payable on the relevant Interest
Payment Date May 31, 1995 against Coupon No. 115 in respect
of US\$10,000 nominal of the Notes will be US\$56.49.

U.S.\$500,000,000

Subordinated Florting Rate Notes Due Jamesry 30, 1998
Notice is hereby given that the Rate of Interest has been fixed at 6.1375% and that the interest payable on the relevant interest Payment Date May 31, 1995 against Coupon No. 112 in respect of US\$10,000 nominal of the Notes will be US\$56.26.

April 28, 1995, London By: Citibank, N.A. (Issuer Services), Agent Bank CITIBANCO

700 2 W. The state of th

- YAKE A

semi**cale** 

eafter in

Derease B

14/4

A LONG TO SERVICE AND A SERVIC

· 24 4 4 4 1 1 1

-

Cont. No. Charles .

netts w 100 77 10

A CAMPAGE TO STREET TALL STATE OF

7 Contract of -

i . .

Talana Santa

Children

By Richard Tomkins in New York

the states that the state of

om smooth

for posts sharpi

urnings to R2024

200 200 00

6 1 . 1

Procter & Gamble, the US consumer goods company, yes-terday reported another period of strong profits growth with net income ahead by an under-lying 17 per cent in its third quarter to March.

World-wide volume increases provided the main explanation for the increase. Unit volumes rose hy 12 per cent world-wide, lifting sales revenues by 12 per cent to \$8.3bn.

The company was helped by acquisitions, which accounted for 2 percentage points of the volume growth, and hy its continuing drive to cut costs. "Our business continues to

be very healthy throughout the world," said Mr Edwin Artzt, chairman and chief executive, who last mouth announced his intention to retire in July. "This is our third consecutive quarter of record shipments, and we are continuing to experience market share growth in most core husinesses."

Procter & Gamble's profit figures were complicated by one-

time charges. In the year ear-lier period, the company took a charge of \$102m to close out two interest rate swaps that turned sour, and in the latest period, it took a previously announced charge of \$50m for costs associated with the January earthquake in Japan.

earnings shot ahead hy 31 per cent \$631m. But excluding them, net earnings rose by 17 per cent to \$681m from \$584m. Earnings per share, excluding unusual items, rose by 17 per cent to 95 cents from 81 cents, in line with analysts' expectations. Fully-diluted earnings rose by 13 per cent to

88 cents from 78 cents, The fastest growth came from the group's international operations, where unit vol-umes rose 14 per cent, sales revenues grew 11 per cent and net earnings by 23 per cent. Last year Procter & Camble

triumphed in Europe over its Anglo-Dutch rival, Unilever, in a battle over Unilever's new including these charges, net Power detergents.

said Europe. Latin America and Asia all achieved "solid" unit volume increases, and the positive impact of stronger currencies in Japan and Europe offset the weakness of the Mexican peso.
In the US, where Procter &

Gamble last year cut the prices of its Luvs disposable diapers (napples), the company pro-duced an unusually large unit volume growth of 9 per cent and revenue growth of 10 per cent. Net earnings, bowever, rose less rapidly because they were affected by sharply higher pulp prices and increased spending on research and development in the pharmaceuticals business.

### Sara Lee and Quaker fall short of expectations

By Maggle Urry in New York

Third-quarter earnings from both Sara Lee and Quaker Oats fell short of expectations and the food groups' shares In morning trading, Sara

Lee's shares were \$% lower at \$27%, while Quaker's shares slipped \$% to \$34. Sara Lee achieved record sales and earnings in the quar-

ter, with the first double-digit increase in earnings per share for six quarters. Net income rose 9 per cent to \$166m, and fully dilnted

earnings per share increased 10 per cent to 32 cents. For the nine months, net income rose to \$583m from \$508m, and earnings per share were \$1.14, compared with 99 cents.

The group said all four of its business sectors increased profits. Operating margins rose in the packaged meats and bakery and personal prodncts divisions, but fell in the coffee and grocery business. Household and personal care profits edged higher. Quaker Oats said its results

were hit by a business realign-ment, including the sale of its North American pet foods business, but this would "posi-tion Quaker for greater profit-able growth". Third-quarter results included a \$518m gain before tax, worth \$2.43 a

share were down from 54 cents in the third quarter of the 1994 financial year to 30 cents. For the nine months, earnings per share were \$1, excluding the gain, compared with \$1.5L

#### **Dow Chemical** upbeat after sharp increase

Dow Chemical of the US reported continued strength in the first quarter, with earnings more than tripling to \$582m, or \$2.10 a share, writes Tony Jackson in New York.

Excluding charges, earnings were \$2.23 e share against 65 cents. Mr Frank Popoff, chairman, said he was optimistic that the recovery would con-

Sales in the quarter rose 31 per cent to \$6bn, made up of a 17 per cent rise in prices and 12 per cent extra volume. Sales of chemicals and per-

formance products increased 45 per cent at \$1.5bn. Plastics were up 43 per cent at \$2.3bn, with a particularly strong 62 per cent rise in ther-

Sales of hydrocarbons and energy climbed 41 per cent to 5588m, but the operating loss deepened to \$12m from \$1m. · W R Grace, the speciality chemicals company recently shaken by the resignation of its chief executive and death of its chairman, reported a 22 per cent rise in first-quarter

earnings to \$47.5m, or 50 cents Reflecting the turmoil in the company, profits were hit by a \$20m pre-tax charge for con-tract termination costs and other expenses related to cor-

porate governance. Excluding the charge, earnings were up 56 per cent.

#### **NEWS DIGEST**

#### Elkem benefits from surge in aluminium prices

Share price (NKr)

110 ------

first quarter of 1994.

Income from aluminium operations jumped to NKr110m from NKr19m, to contribute 43 per cent of total group operating income of NKr255m. The division's sales were NKr471m, or 21 per cent of total sales.

back later in the quarter.

Ferro alloy consumption increased on the back on higher world steel production and prices for some ferro-alloys rose. However, the division's operating profits fell to NKr69m from NKr80m because of plant shutdowns and the weaker dollar.

Elkem said the market outlook was generally positive. But it warned that its competitive position had suffered because of the weaker dollar and said upgrading of its Norwegian manganese plants would hit second quarters.

#### Borealis in black with DKr1.19bn in first term

chemicals group, yesterday announced it had bounced back into the black in the first quarter to a pre-tax profit of DKr1.19hn (\$219m), against a loss of DKr150m in the same period last year, writes Karen Fossii in Oslo.

Net sales rose hy 3 per cent to a record DKr4.97bn as polyolefin sales volumes increased by 4 per cent to 510,000 tonnes.

Borealis said profitability in the European petrochemicals and polyolefins industry during the first quarter reached levels not seen since the industry's peak in 1988. But the group warned the duration of the

try in adding new capacity.

Average market prices for polyethylene and

plant et Sines in Portugal.

#### Reader's Digest warns of impending downturn

Reader's Digest has warned that higher news-1996, writes Lisa Bransten in New York.

At constant exchange rates, operating profits in Europe were down 11 per cent at nine months, the company said yesterday. The poor results in Europe were, however, offset hy

Tha company cited three reasons for the weak European operations: poor response to mass mailings; increased competition for prize draws in the UK due to the introduction of the national lottery; and the discontinuation of an enterprise with a German partner with which

# the same period last year.

Elkem, the Norwegian light metals producer, yesterday announced unexpectedly stroog first-quarter profits of NKr225m (\$36.2m), attributed mainly to a surge in aluminium prices, writes Christopher Brown-Humes in Stockholm. The result beat market estimates hy about NKr55m, and NKr64m profit in the

Sales rose to NKr2.27bo from NKr2.15bn.

Elkem said aluminium prices rose to \$2,200 a tonne in January, from \$1,970 a tonne, continuing a strong run over the last year, but fell

The strong financial performance was attri-buted mainly to sharply higher prices and demand for the group's polyolefins products combined with high, stable production levels and favourable feedstock prices.

upturn would depend on international economic developments, as well as the degree of responsibility shown by the polyolefins indus-

polypropylene continued to rise, although at a slower pace. Naphtha feedstock prices were relatively stable with e slight increase in dollar terms seen in February offset by a weaker

High capacity utilisation in the second half of 1994 were maintained, with the exception of some production problems at a polyethylene

print prices and problems in its European operations would reduce earnings growth to below its 10 to 15 per cent target in 1995 and

the company conducted mass mailings.

Mr James Schadt, chairman and chief executive, said he was confident profit growth would resume its 10 to 15 per cent rate over

#### Strong US and other non-European markets helped the company lifts revenues 12 per cent in the third quarter to \$793m from \$709.2m for Earnings also rose 12 per cent to \$86m, or 59 cents a share, in the quarter.

Imasco posts 31% gain in first quarter

Imasco, the Canadian holding company 40 per cent owned by BAT Industries of the UK, posted a 31 per cent gain in first quarter net profit, writes Robert Gibbens in Mootreal. The company benefited from strong contributions from the tobacco products and financial services units.

Earnings were C\$98m (US\$71.9m), or 82 cents a share, up from C\$75m, or 60 cents, a year earlier on net revenues of CS2bn, compared with C\$1.85bn.

Imperial Tohacco's contribution rose 16 per cent, financial services 29 per cent, and the US fast food unit gained slightly despite fiercely competitive conditions. The retailing and property units were stable.

The first quarter's pace of earnings growth may not be maintained for the full year, said Mr Purdy Crawford, hut he expected 1995 to be another of year of solid growth.

#### Transocean blames rig contracts for loss

Transocean, the blg Norwegian drilling rig owner, plunged into a first quarter pre-tax loss of NKr87m from a profit of NKr30m in the

same period last year, writes Karen Fossli. The company blamed the sharply weaker result on its rigs operating under contracts. However, the rigowner said these contracts were continuously being replaced by new ones with more favourable terms and a consider-

able improvement in day rates. Operating revenue fell to NKr528m from NKr675m as operating expenses decreased to NKr508m from NKr569m.

Transocean said it had signed contracts for its mobile drilling units worth NKr419m so far this year and day rates considerably higher than those obtained during the first quarter. It forecast a further improvement in utilisation and day rates due to a shortage of rigs.

#### Colonial Mutual sees listing in 1997

Colonial Mutual, the Australian life insurer with significant interests in the UK, is likely to demutualise and list on the Australian Stock Exchange during 1997, Mr Peter Smedley, managing director, said yesterday, writes Our Financial Staff.

"I think the most likely period [for demutu-alisation] is sometime in 1997," he commented. He was speaking after policyholders had unanimously approved April 30 as the first of two cut-off dates for eligibility for any benefits

from the proposed demutualisation.

Demutualisation is the process by which a mutual insurer, controlled by its policyholders, converts to "normel" shareholderowned status.

As a result of yesterday's vote, only policies accepted by Colonial on or before April 30 and still in force at a second date closer to demutualisation will be able to participate in the issue of any shares by the insurer.

#### Dyno Industrier almost doubled to NKr250m

Dyno Industrier, the Norwegian chemicals, explosives and plastics group, said yesterday that first quarter pre-tax profits nearly douhled to NKr250m from NKr130m, writes Christopher Brown-Humes.

The result reflected good demand and costcutting measures, said Mr Arild Ingierd, chief executive. Gross operating income rose 26 per cent to NKr2.86bn while operating profits more than doubled to NKr319m from NKr172m.

The best performance came from the chemicals division, where operating profits rose to NKr223m from NKr100m as sales climbed to NKr1.08bn from NKr704m.

The main impact came from higher contract methanol prices, which were DM815 a tonne during the quarter, compared with DM285 a

year ago. Explosives boosted operating profits to NKr58m from NKr36m, even though sales growth was held to 4 per cent by the weaker dollar. Profits from plastic doubled to NKr40m.

#### curities have not been registered under the Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. These securities having been sold, this announcement appears as a matter of record only.

April 12, 1995

19

US\$2,150,000,000



### Roche Holdings, Inc.

Liquid Yield Option™ Notes ("LYONs®") due 2010 (Zero Coupon)

**Exchangeable for American Depositary Shares** Representing Non-Voting Equity Securities (Genussscheine) of

### **Roche Holding Ltd**

Price 35.628%

These securities were sold in transactions exempt from the registration requirements of the Securities Act of 1933,

### Merrill Lynch & Co.

"Liquid Yield Option Notes is a trademark of Merrill Lynch & Co., Inc. LYONs" is a trademark of Merrill Lynch & Co. Inc. registered in the United States,

## BRISTOL & WEST

\$150,000,000 Floating rate notes due 1996

Notice is hereby given that the notes will bear interest at 7.25% per annum from 1995, Interest poyable on 26 July 1995 will amount to £180.75 per £10,000 note and £1,807.53 per £100,000

Agent: Morgan Guaranty Trust Company **JPMorgan** 

Wells Fargo & Company

US\$200,000,000 Floating rate subordinated notes due 2000

The notes will bear interest at 6.1875% per annum for the interest period 28 April 1995 to 31 May 1995. Interest payable on 31 May 1995 will amount to US\$56.72 per US\$10,000 and US\$283.59 per US\$50,000 note.

Agent: Morgan Guaranty Trust Company

**JPMorgan** 



more competitive, private equity investors are becoming more medinative in the types of deals they are prepared to do. The UK accounts for about 45% of funds invested in development capital and buy-outs in Europe. But as the UK market matures, more funds are tooking to continental Europe for deal flow.

As markets scross Europe begin to emerge with sustained growth it is worth considering that the survey will be read by at least 292,000 high status individuals.

For information about sdysrtising and an editorial

William MacLeod

Fax: 0171 873 3078

Tel: 0171 873 365

Source PES5-1992

FT Surveys

Dividend 1994

per share.



SFr 17.-

SFr 5.95

Basel (Switzerland), 26 April 1995

At the General Meeting of the Company held on 26 April 1995, it was resolved that a dividend for the 1994 trading vear be declered as follows:

Gross dividend Less 35% Federal Withholding Tax Net dividend

SFr 11.05

Psymant will be made with effect from 2 Mey 1995

in respect of Registered Shares by meens of e Dividend Warrent sent to the address registered by tha holders for this purpose;

Coupon No. 3.

Dividends will be paid free of charges at the following

in respect of Bearer Shares against surrender of

Crédit Suisse, Zurich Swiss Bank Corporation, Basel

Union Bank of Switzerlend, Zurich

Swiss Volksbank, Berne, or any Swiss branch of these banks

Bank Sarasin & Co., Basel and Zurich

Bank Ehinger & Co. Ltd., Basel, and Messrs Lombard, Odier & Cie, Geneve.

By order of the Board of Directors Ciba-Geigy Limited

Citibank plans phone banking in Germany

By Andrew Fisher in Frankfurt The growing trend in direct banking in Germany gained fresh impetus yesterday with Citibank's announcement of a new telephone banking service. The bank said the service went further than similar operations launched by rivals to ettract cost-conscious and technology-

ber and be extended to other

oriented customers. The new service, CitiDirect Banking, will start in Septem-

European countries. The US bank's German private customer unit, Citibank Privat-kunden, said it would be based in Aachen, near Germany's border with Belgium and the

Netherlands. Staff will be available for full banking, financial and insuranca services and edvice 24 hours a day, seven days a week, including public holidays. This, claimed Citibank, put its operation beyond those offered by competitors. It com-

pared the venture with First Direct, tha successful UK direct banking operation owned by Midland Bank. As part of the drive by Ger-man banks to broaden their

appeal and be more competitive, customers are being offered discount broking tele-phone banking and direct banking services. Commerzbank has just started its Com-Direct operation, and Deutsche Bank plans a rival direct banking service called Bank 24.

employ around 100 full- and part-time staff in Aachen. This will be increased by several hundred if husiness devalops as expected.

The bank, with more than 300 branches in Germany already runs CitiPhone Bank-ing (based in Bochum, in the Ruhr) to handle payment transactions. This service, and Citi Direct, will now be managed by a new unit called Citi

## UK retailers search anxiously for the elusive feelgood factor

and Neil Buckley

We can't pretend that things are other than still quite tough out there," said Mr Chris Thomson, finance director of Austin Reed, the up-market UK clothing group which yesterday announced a 5.8 per cent rise in pre-tax profits.

It is not just beleaguered politicians who are feeling the absence of a feel-good factor. Retailers are echoing the warning of the UK chancellor, Mr Kenneth Clarke, that it will be some time before the elusive factor is rekindled.

Clothing retailers such as Sears, French Connection and Austin Reed - all of which reported results this week commented on "difficult" or "challenging" conditions, not



Barry Reed, chairman, (left) and Colin Evans, chief executive et Austin Reed, where 'things are still quite tough'

were growing, they were not rising at the rate the company

although like-for-like sales were growing, they were not rising et the rate the company lis, Warehouse and Miss Self-

ary 31 were up 5.7 per cent, but sales growth since then had slowed to 4.5 per cent.

This slow-down has been reflected in official government figures, which last month showed a fall in retail sales growth. As the second biggest retail sector after food, clothing is seen as a good barometer of the economy.

Mr Liam Strong, Sears chief executive, said consumers were feeling the full effect of phased tax increases and were nervous ebout possible interest

"Nervousness to spend is very much an influence," said Mr David Bernstein, chairman of French Connection, the fash ion clothing group. He added that consumer caution was not unique to the UK, noting that like-for-like sales were flat in

### Inquiry launched into Cray share fall

By Christopher Price

The London Stock Exchange has launched an inquiry into the circumstances surrounding the share price collapse at Cray Electronics, the data communications group which issued a profits warning on Monday.

The move follows angry reaction to Cray's announcement, with some investors and analysis critical of the management's timing and version of events.

Cray's shares halved on the news, dropping from 155p to 79p. They closed yesterday at

Last night, Mr Jon Richards, chief executive, welcomed the inquiry: "We have been complimented by our smaller sharebolders over our handling of this issue. Normally in these situations there is a slow downward drift in the shares prior to the announce-ment - hnt there was clearly nothing in the market."

The company blamed the shortfall – which will reduce last year's £26.2m figure to about £6m, against previous forecasts of about £32m - on problems within Cray Communications, its computer net-working division.

Mr Richards said problems were first detected in the division, which accounts for about 70 per cent of group sales, in August. By December, the decision had been taken to replace Cray Communications' chief executive, Mr Ray Piggott, for failing to meet sales targets and cost overruns.

At the interim results in January, no mention was made of Mr Piggott or the problems at Cray Communica-

A number of senior executives, recruited by Mr Piggott, were subsequently sacked. Mr Richards said the group's normally strong second half meant that until recently, the board still believed it could bit April year-end targets. But changes made to the manufacturing process had adversely affected the ability to respond

### Electrical retailers

the suggestion that the sector is uncompetitive. It is ravaged by competition so fierce that among the larger operators only Dixons, the market leader, is making money, Rumbelows, Clydesdale, and a handful of regional electricity companies have all thrown in the towel in

The sharp fall in the Dixons share price, yesterday is an understandable, if knee-jerk response. Any possibility that competition in the sector may intensify further is disconcert-

The Monopolies and Mergers Commission, however, will take months to reach a conclusion and, even if it finds that manufacturers are keeping prices artificially high, that does not necessarily mean that the hig retailers' thin margins will be undermined further. in particular, the threat from discount ware-house clubs will be strictly localised: Nurdin &

Peacock's closure of its clubs in March shows how hard it is to establish the format in the Paradoxically, the investigation could endup benefiting Dixons and Comet. If there is any distortion in the market, it is that manu-

allowing them to buy on favourable terms. independent retailers would be forced out of the market if competition worsened.

Shrinking of market capacity is good for Dixons' share price: it is a central-factor behind the 19 per cent outperformance of the shares in the past year. It may not be good for

### Back to basics for the utilities?

orkshire Electricity's ill-fated international division achieved the overseas diversification for which it was formed. But it was remarkably profit-

Earlier this year it received About £17m as compensation for an aborted deal to buy into Stockholm Energi, Sweden's third largest eoergy producer. "The money we received from Stockholm was more money than all of the other UK utilities put together bave made hy investing ebroad," says Mr Malcolm Chetwin. Yorkshire chief executive.

Amid growing concerns amoog institutional investors about UK utility diversification, the company last week said it had pulled the plug on the division The decision is part of a

trend among some of the 12 UK regional electricity companies to coocentrate on existing businesses, mostly power supply and distribution The most ohvious result has

ouit retailing. East Midlands Electricity decided last year that its diver-

been a series of decisions to

Michael Smith finds investors questioning diversification

running into difficulties in its their utility companies to be purchases of several contract-

Earlier this year Northern Electric indicated that it, too, would be sticking to the core businesses es part of its defeoce strategy egainst Trafalgar House, the conglomerate which has tried and so

far failed to take it over. Suddenly the policy of Chester-based Manweh, which has largely eschewed diversificatioo ever since privatisation. oo longer seems unusual. However, the back-to-basics campaign is not universal, Eastern Group, the largest of the recs. is happily expanding its gas and generation portfolios. Midlands Electricity is continuing to look abroad, including the Czech Republic, for opportunities. Manchester-based Norweb has already invested in a US generation scheme distributor, and, like ScottishPower, is expanding significantly its retail operations.

So which strategy is the sification days were over after right one? Do investors want fans of utility diversification,"

daring hut dangerous or safe but dull? Yorkshire Electric's decision to abandon overseas diversifisions with institutional investors prompted by the company's fears that it could become a takeover target.

Mr Chatwin says the discus-

sions revealed most institutions wanted value to be returned to shareholders rather than spent on projects which took three to four years to show a return. The recent decision by Professor Stephen Littlechild, industry regulator, to reconsider price controls had caused institutions "to think even more short-term than before", says Mr Chatwin. Fund managers have generally - though not universally elcomed Yorkshire's decision. and the company's share price has performed better than that

of most recs in the week since the announcement. "We have never been great

said one institutional investor. Recs are struggling to handle the England and Wales regulator with whom they have to deal. What makes them think they can do any better with the

regulator in, say, Greece?"
Another fund manager supporting Yorkshire's decision says there has been no evidence that the regional electricity companies can prove themselves abroad.

The contrary view is that an unadventurous rec risks sidelining itself in the long term.
One analyst said: "If all the utility companies do is hand back the money to shareholders, they are denying them-selves opportunities for future

According to another, as a defence against takeovers Yorkshire's move is sensible. The danger of diversification is that another company will come to break up the diversifier before the acquisitions have had a chance to prove

"But by sticking to core busi-nesses, utilities could become high-yielding stocks with limited growth prospects. Some investors will find that a rather gloomy proposition."

### Abbey's share of Gehe lifts new lending dips

Abbey National, the home loans and banking group, said yesterday that its share of new mortgage lending in the first three months of this year was below its normal level of 12.5

The bank's first quarter trading statement also revealed that its share of retail savings had slipped slightly below its

usual 8.5 per cent share. It arknowledged that the net interest spread in the retail savings and home loans business was narrowing from the exceptionally high level achieved in the back half of

The shares fell 9p to 463p yesterday. Mr Ian Harley, finance director, said, however, that the

spread was still above the 2.10 per cent earned in 1994 as a whole, and he added that new net lending was higher than in the first quarter of

Lord Tugendbat, Abbey's chairman, told the annual

meeting yesterday that it looked forward to "constructive discussions" with National & Provincial Building Society. the UK's ninth largest. On Monday, the bank's expression of interest in N&P was widely

While some mortgage lenders helieve that the public statement has reduced Abbey's prospects of reaching any agreement with N&P, Lord Tugendhat came under little pressure on this matter from

shareholders: Several of the points raised related much more closely to complaints about the service provided by the bank in indiridual instances.

 A report by analysts at Mer-rill Lynch yesterday predicted that mortgage margins would halve in the next two years, while the housing market would be flat for a similar length of time, before a housing boom.

It concluded that "most building societies. . will cease over the next few years".

### **AAH** stake to 30%

pharmaceuticals wholesaler, yesterday increased its holding in bid target AAH from about 26 per cent to almost 30

The increase follows the disclosure that Threadneedle Asset Management had sold about 2m shares, nearly half its 5.5 per cent holding, and further selling in the market.

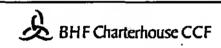
#### Asset value falls at F&C Pacific

Foreign & Colonial Pacific Investment Trust saw its net asset value decline by 17 per cent during the 12 months to January 31 as it adopted a "generally defensive policy" in the face of rising US interest rates and nervous emerging markets.

Assuming that loan stock would not be converted at current market values, net assets per share were 318.7p at the

BISINESS

D. McCanhy, 18



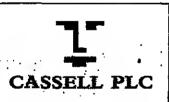
#### 1994 Flotations













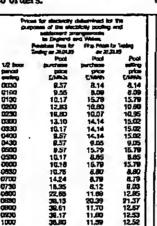








**CHARTERHOUSE** 



15.00 15.00

Australia and New Zealand

Banking Group Limited

ACYCLE 577 572 ned and lented leiding to the Son Lawrence Appendix £200,000,000 Floating Rate Notes due 1997 Notice is hereby given that for the lutriest Period 26th April. 1995 as 36th July, 1995, the Notes will carry a Rare of Interest of 7.125 per cent. per annum. The Amount of Justicest per INCOON Note will be 11.716. 17, possible on 25th July, 1995. seed after Lasenburg Spot Eachar BUSINESSES FOR SALE Appear in the Financial Times on Tuesdays, Fridays and Saturdays. For further information or to advertise in this section please contact Karl Loyrism on +44 0171 873 4780 or Metarile Miles +44 0171 873 3308



last year.

ECU1.000,000,000 Floating rate notes due

Notice is hereby given that the notes will bear interest at 6.25% per annum from 28 April 1995 to 31 July 1995. Interest payable on 31 July 1995 will amount to ECUS 1.60 per ECUS,000 note and ECU815.97 per ECU50,000 note and ECU1,631.94 per ECU100,000 note.

Agent: Morgan Guaranty Trust Company **JPMorgan** 

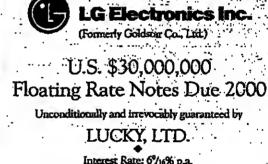
European Bank for Reconstruction and US\$150,000,000 Collared floating rate notes Notice is hereby given that the rate of interest has been letermined by Credit Suiss Financial Products as 6.0625% per annum for the period from 28 April 1995 to 30 October

1995. Interest payable on 30 October 1995 will amount to US\$31.15 per US\$1,000 note, US\$311.55 per US\$10,000 note at 1 US\$5,115.45 per US\$100,000 note. Fiscal agent: Morgan Guaranty Trust Company **JPMorgan** 

COMPACNIE BANCAIRE coupon reinvestment option Common Code: 3108708 Sicovem Code: 14469 According to the terms and conditions of the Bonds, notice is hereby given that 587 supplementary Bonds have been created upon exchange against Coupons on account of payment of interest.

New total nominal amoun outstanding as of : 30/04/95 FRF 704 800 000

The Principal Paying Agent, SOCIETE GENERALE GROUP 15, Avenue Emile Reuter LUXEMBOURG



Interest Rate: 6%/16% p.a. Interest Period: 28th April, 1995 to 31st October, 1995

. • Interest Amount per U.S. \$10,000 Note due 31st October, 1995 U.S. \$339.06

Interest Amount per U.S. \$100,000 Note due 31st October, 1995 U.S. \$3,390.63 Agent Bank

Baring Brothers Limited

Common Code: 3081249 Sicovam Code: 14461 New total nominal amount outstanding se of : 30/04/95 : FRF 969 800 000

The Principal Paying Agent, SOCIETE GENERALE GROUP 15. Avenue Emile Reuter LUXEMBOURG

Tel: 0171 702 199 Wellcome plc

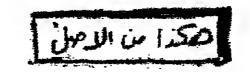
£50,000,000 9% PER CENT BONDS 2006 NOTICE IS HEREBY

GIVEN that with immediate effect Baring Brothers Limited of 8 Bishopsgare, London EC2N 4AE has been appointed Principal Paying Agent in respect of the above Bonds in place of Bishopscoure (BB & Co.) Limited (formerly Baring Brothers & Co., Limited) (in Administration) of 8 Bishopsgate, London ECZN 4AE

THE BUCKS THE CITY INSIDE OUT

GDRs and ADRS

Tel: 0171 702 3377 Fex: 0171 680 0434



Order book stable followling decline in second half of 1994

### Aerostructures down sharply

CIN TIMES PRINTY APPLICA

COLUMN

Shares in Aerostructures Hamble, floated almost a year ago at 120p, fell 3p yesterday to 30p after the aircraft parts maker reported a sharp fall in profits and turnover in 1994.

Pre-tax profits fell to £1.52m (\$2.46m) from a restated £4.5m, while sales retreated from

£70.4m to £62.2m. Lord King, chairman, said that there had been no further decline in the 1995 order book following the deterioration in

However, he warned that this year's turnover would be "marginally less than that achieved in 1994".

Analysts yesterday suggested that the group would do little better than break even this year. "But it will have to run hard just to stand still," said one. Mr Christopher West, the

chief executiva who started at the beginning of this year, said he had concentrated on cetting the group's production programmes back on schedule, as well as on quality control.

company was big enough to survive within the industry. The reliance on British Aerospace - which accounted for 60 would continue to decline. It

also expected a programme of work on the Boeing 737-700 seriea to generate revenue towards the end of this year. The group issued profits warnings in September and October after raising more than £26m of new money in the June flotation. It blamed pro-duction problems on parts for

The debacle claimed the heads of Mr Andy Barr, the chief executive who made fl.75m from the flotation, and his son Mr Brian Barr, who was the production director responsible for the performance of the factory where Harrier parts were made.

The Barrs came to Aerostructures from Rover Group, then owned by BAe. They brought a team determined to production techniques to the

### Signet renews its attack on rebels

RESULTS

Gehe lift

三 (2) 医

1 4 4 2 1 5 2 7 22

선 기업에 발생

120

10 M D

G Electronics in

4

42.6

) 65 E

or New York Co.

92 ....

Happy and the

The second of the second second second

345.75 AND A 152.55 BEE

11 1 100

Signet yesterday renewed its attack on rebel preference shareholders who are seeking the hreak-up of the jewellery

The company repeated its argument that the rehels were proposing an "utterly unrealistic time scale" for the board to elicit offers for the businesses.
In a circular to shareholders ahead of

the extraordinary meeting called by the

rebels Signet said: "Your board believes that this would inevitably do serious damage to business confidence, causing uncertainty for all stakeholders, including lenders, suppliers and of course our staff."

Signet reminded shareholders that proxy

cards must reach the company's registrars hy next Wednesday. The rebels, who require a simple major ity, expect the support of the bulk of preference abareholders, accounting for 29 per

cent of the votes.

Mr Julian Treger, adviser to the preference shareholders' UK Active Value Fund, dismissed the circular as "a panic announcement".

He said: "The statements from Mr McAdam [Signet's chairman] misrepreseot the resolutions heing pot to the meeting. There is no fire sale proposal. The resolu-tions are quite clear in mandating the board only to seek offers. Any decision to dispose of businesses will need to come before shareholders at a later EGM."

							***************************************		- Dividends -		
	Turno	eer (Em)		n-tex R (End	ø	S (#)	Current payment up	Date of payment	Corresponding styldend	lotal for year	Total Ind
Aerostructures Yr to Dec 31 +	62.2	(70.4)	1,529	(4.51♠ )	0.95	(8.46 )					
Aminex & Yr to Dec 31	12.6	(0.399 )	2.06	(0.1921)	0.04	(0.01L )	-			-	
Austin Reed Yr to Jan 31	71.1	65.4 )	7.34	(6.5)	16.6	(17.3)	4	July 3	3.5	6	5.5
Berkeley Business Yr to Dec 31	16	(13.5 )	1.211	(4.11L )	0.90	(12.1L)	n <b>i</b> l	, -	nii	ni	62
Batterware Yr to Feb 25	58.3	63.2	1.014	(14.1.)	1.21	(94)	1.75	July 24	1.95	2.5	2.6
Dates Stangards Yr to Jan 31	76.5	(71.7)	6.49	15.22	82.44	(46.86 )	1.74	July 24	1.00		
Dominion Energy 6 mths to Dec 31	0.259	(-)	0,151	(0.005)	0.31	(-)				-	
Ecclesiastical los Yr to Dec 31	182.6	(175.6)	13.7	(13.6 )		6)					-
Etage Yr to Jer 28	218.5	(220.3)	10.74	(14.014)	10.9	(13.57 )	5.75	July 7	5.75	7.3	7.5
Folices Yr to Dec 31	38.2	(39.4)	3.01	(1.721.)	6.39	(4.681.)	0.983	July 3	0.925	1.575	1.5
French Commection S	70.5	63.9	6.86	6.14	23.2	(17.3)	0,300	may o			-
Higheroft buy Yr to Dec 31	1.25	(1.28	1.18	(1.28 )	14.9	(15.9 )	3.5	July 4	3.3	5.5	5.2
ICI	2.48	(2.15)	244	(1039)	21.1	(8.9)	-	amy a	-	3,3	27.5
Jacks (Milliane)	74.6	(52.4)	0.795	(0.383 )	4.4	(1.44 )	oil		nd	nii	nt
Magnolia Yr to Dec 31	18.3	(17.5 )	1.96LA	(0.072 )	40.76L	(1.08)	0.1	June 12	0.1	0.1	0,1
Moran S 6 mths to Dec 31	30	26.7 1	0.68	(0.789 )	2.23	(2.9 )	08	- 12	ris.	200	nk.
Trinity Holdings Yr to Jan 31	163.8	(136 )	13.1	(10.6)	18.6	(13.8)	4.85	July 31	4.2	7.1	6.2
Unborne 6 mths to Dec 31	101.6	(94.S )	0.4381	(8.041.)	1.27L	(B.63L.)	4.00	July 31	7.2	7.1	6.2
Yorkhode Yr to Jan 31	19	(15.4)	4.08	(2.98 )	27.6	(20.6)	4.85	July 1	3.6	7.25	6
	14	11241	4,00	(2,30 )	21.4	(Zwo )	4.63	July 1	20	1.25	
Investment Trusts	ma:	f (c)		ratuble gs. (2007)	8	60	Current payment (s)	Date of payment	Corresponding dividend	Total for year	Total test year
Abbert May 70-1 May 5-5 50											
Abbust New That Yr to Feb 28	168.22	(165.9 )	0.39	(0.206 )	26	(1.37)	1.75‡	June 28	1	1.75	1
	98.31	(107.88)	0.545	(0.377 )	0,41	(0.28 )	0.25	Jun 13	0.25		0.96
FAC Pacific Yr to Jan 31	312.7	(386.3 )	5.58	(4.12)	5	(3.87)	1.55	June 18	1.35	2.75	2.25
Gartinora British 3 miles to Mar 31	75.5	(75.44)	0.379	(-)	1.85	(-)	1.95			•	5.46
Govett Oriental	360.74	(397.83)	2.68	(234)	1.49	(1.9)	0.5	June 30	0.75*	1.2	1.15
breestors Capital	134.73	(139.4)	7.21	(6.26 )	2.92	(2.53)	1.325	June S	1.3	•	5.2
Kleinwert Emerging	106.5	(136.50)	0.0941	(J.0017)	0.33	(0.01L )	•	•	•	•	•
L'don Amer' Growth	55.9	(64.5)	0.4381,	(0.105)	0.44	(0.07)	-		:	-	
Majordie laws	222	<b>5234</b> )	1.13	(1.34)	2.16	(2.55)	2	July 7	2	-	5.25
Hadiobust Yr to Jan 31 *	76.1	(73.1)	0.056	(0.037)	0.65	(0.43)	•	•	•	•	
Scottish Mortgage Yr to March 31 *	241.55	(256.21)	18.8	(14.8)	5.21	(4.12)	3	July 3	2.75	4.4	4.1
Wigneste Property 6 mths to Mar 31	73.9	(99.3)	0.062	Ø1.013 1	0.31	(0.06)	0.25	June 16	ne	-	0.5

Dividends shown not. Figures in brackets are for corresponding period. \$USSI stock. After exceptional charge. \$40or exceptional profit. Mi Post-tax. Tindedea special of 0.85. \$Excluded special of 0.54p. \$Comparatives restated. \$Foreign income divident. \$As at December 31 1994. \$US dollars. Comparatives for rens months to March 31 1994.

### **Trinity** advances to £13m

By Geoff Dyer

market.

Trinity Holdings, the UK's leading specialist vehicle manufacturer, announced yesterday a 23 per cent increase in pre-tax profits, helped hy con-tinued recovery in the UK bus

Pre-tax profits rose to \$13.1m (£10.6m) in the year to January 31, on turnover 20 per cent abead at £163.8m (£136m). At the operating level, margins were slightly higher at 8.1 per cent (7.8 per cent).

Bus registrations in the UK increased by 32 per cent and Trioity was hoosted by a record order from Badgerline, the hus company, for 576 buses, together with another 150 buses for Stagecoach, Dennis Specialist Vehicles, which supplies the bus, coach and fire markets, advanced turn-

over hy 30 per cent. Mr Geoff Hollyhead, chairman, said that 60 per cent of huses in the UK were over ten years old, compared to 40 per cent teo years ago. "There is a great deal of pent-op demand." be added.

He said that the group's order book in the first quarter was 25 per cent ahead of last year and promised another year of substantial profits growth. Exports were expected to grow strongly due to the recovery in continental Europe and the joint venture in Malaysia, which was signed last year, was exceeding expecta-

Dennis Eagle, which mannfactures refuse vehicle chassis, saw turnover rise 11 per cent, after making its first sales to the Ministry of Defence.

Sales from Carmichael, which manufactures fire fighting vehicles, fell sbarply because of delayed export contracts. Airport vehicle sales more than doubled to £12m on the back of a contract with British Airways.

Despite increased capital expenditure of £3m, net cash was slightly higher at £7.6m

Earnings per share were 22 per cent ahead at 16.8p (13.8p). A final dividend of 4.85p is recommended, making 7.1p (6.2p) for the year.

### Weak UK side leaves Betterware at £1m

By David Wighton

Betterware, the direct homeshopping group whose shares have lost 85 per cent of their value over the past two years, saw pre-tax profits drop from £14.1m to just £1m in the year to February 25. The shares fell 3p to 43%p.

Operating profits from the core UK business were halved to £6.39m and there were exceptional charges of £5.1m covering restructuring costs and write-down of assets at non-core activities. But Mr Andrew Cohen,

chairman, said the group had addressed weaknesses in the UK direct home selling operation which is currently trading at levels slightly ahead of last year on a lower cost base. "With the reshaped structure, a strong balance sheet, cash resources and continuing

cash generation we have every confidence in restoring steady and consistent growth." The UK operation saw sales

fall by 9 per cent to £45m in the year, in line with the first half decline, after a drop in the Share price (pence) size of its field sales force. Mr Cohen said that the cen-300 tral operation had been reorganised, the catalogue redesigned, new ranges introduced and a programme of retraining of the field sales force initiated.

He added that the teething problems with its new £10m distribution centre in Birming ham were now behind it. Group staff numbers have heen cut hy 100 from last year's peak of more than 500. Start-up operations in Europe, which had sales of £4.3m (£2.9m), lost money hut

the French husiness, where sales rose 41 per ceot, has passed breakeven following last year's move of distribution centre. Sales m Spain tripled from a low base and the deci-sion to centralise all product distribution at the French facility in Reims should mean an

earlier move into profit. The German operation. 1983

which started trading in September, had a slow start.

The exceptional costs associated with centralising European management were £1.65m. Betterware was also hit hy a £700,000 write-off on investments in short-term financial instruments. After a cash outflow of £2.3m

the group ended the year with net cash of £3.1m.

### WM launches brokers' service

By Norma Cohen. ent Correspondent

WM Company, the performance measurement concern, is launching a service to track the returns of private client stockbrokers, allowing wealthy individuals who use them to compare for the first time their broker's service

against others. Private client stockbrokers, who make investment deci-sions on an estimated £4bn to £5bn for individuals, mostly rely on long-standing family or community relationships as a

source of new business. Their clients have traditionally paid less attention to absolute returns than to the quality of the service and the personal relationship established.

However, Mr Stephen Connelly, market development manager with WM Company, said that recent fierce competition between private client stockbrokers had created

demand for the first time for independent performance measurement

Widely used by pension fund trustees, independent performance measurers will calculate the total return earned on the client's investment portfo lio and allow comparison with the industry median.

Fund managers who habitually underperform are usually replaced after a few years.

The service will initially not he used to help clients compare managers but will allow managers to see how they compare with the industry average.

The second stage of the product will allow managers to produce a historic track record of their performance which they can then use as a marketing tool in soliciting new business.

Thirdly, WM intends to cre ate an industry average annual return so that clients whose portfolios are measured can make comparisons for them-

#### **VSEL** to pay second interim

By David Wighton

VSEL, the submarine builder at the centre of a hid battle between British Aerospace and GEC, is to pay shareholders a second interim dividend of 30p, instead of a final.

The company decided to advance the dividend, which is higher than analysts were expecting, to ensure that it is received by shareholders if the bidding restarts.
Mr Micbael Heseltine, the

trade and industry secretary, is expected to announce shortly whether the two bids

The Monopolies and Mergers Commission snhmitted its report to Mr Heseltine two weeks ago. Most observers helieve the commission has recommended that the BAe hid be cleared without any conditions and that GEC be cleared, subject to undertakings relating to its competing Yarrow shipyard on Clydeside.

#### **BUSINESS INFORMATION**



#### THE RIGHT **BUSINESS INFORMATION**

In the age of information, the hard thing is to find the right information; key company information that's relevant and to the point.

FT McCarthy is your vital source. Our network can provide comprehensive information on the exact companies and sectors that interest you. Every day we gather information from the world's top business publications it would take you all day just to read them - sort it, and store it. You can access just what you need - by company, by industry, by country or by market. Industry speculation as

Access is oo CD-ROM, online or hard copy, so it's easy to be on the right side with FT McCarthy. Start today by sending the coupon.

FT McCarthy. The right business information

inancial Times Informationadon EC2A 4DL Telep	hone: 0171-825 79:	53. Please send me d	emis · · · ·
of FT McCarthy			w
Name			_
отрану			—
Address		-	

#### REPAP ENTERPRISES INC.

U.S.\$ 200,000,000 FLOATING RATE NOTES DUE 1997 Constituted by a Trust Devel dated 16 July 1990
and deeds supplemental thereto
a to pengraph 20 of the Third Schoolse to the Trust Devel, notice as given that the following the Continue of t

writton Entranytheory Resolution with effected on 31 March 1995.

"Parament to the Third Schoolar's with effected on 31 March 1995.

"Parament Lac. (the "Inster") and The Law Devication Treet Corporation p.Lc. (the "Treester") constituting the U.S. \$200,040,000 Flouring Rate Notes Due 1997 of the Inster (the "Notes") and assessful by a First Supplemental Treet Dead deted 17th May, (1991, a Second Supplemental Treet Dead deted 17th May, (1991, a Second Supplemental Treet Dead deted 18th Supplemental Treet Dead deted 18th Supplemental Treet Dead deted 18th Supplemental Treet Dead deted 12th Supplemental Treet Dead detect tion was effected on 31 March 1995.

Prespectus dated 13 Morch 1993 as assembled from time to time;

2. smeat as the modification of the Terms and Containens of the Notes as princed on the reverse of them and it the Schedules on the Treat Doed on the provisions of the Treat Doed on set out in the draft Sinkh Supplemental Treat Doed on form of the draft databased to this Written Remolection;

3. sutfancises and request the Treates to concer to the conditionations referred to in paragraph 2 of this Resolutions and, in order to give effect to it, to exacute the Santh Supplemental Treat Doed with such assemblements (if any) in the Treates shall require.

4. smartine every abrogation, modification, compressive or arrangement in respect of the rights of the Notestelders and hadders of the ecopator relating to the Notes against the Immer involved in or resolving from the modificancem or formal to in measurement.

Noteholders and hadders of the scorptors relating to the Notes against the Immer involved in or resulting from the modifications referred to in pumprophs 2 and 3 of this Resolution.\*

11. Processing to Continuous to 2.2. of the Terms and Continuous of the Notes on harried by the Sixth Supplemental Treat Deed dated 18th April 1995, notice in given that on 12 May 1945 the Louis will redoem the of the Notes at their continuous grincipal amount with instruct accuract to that date and auguster with the Capitalized Amount and the Capitalized Valvers Foo.

Pryments in respect of Bearer Notes will be made against presentation and surrounder of such Bearer Notes at the offices of the Prysing Agents specified below by U.S., dollar cheque drawn to, or, at the option of the helder, by transfer to a U.S. dollar account unfamiliated by the payer with, a bank in New York City. Pryments in respect of Registered Notes will be made against presentation and surrounder of auch Registered Notes at the office of the Registers specified below or at the office of the Tuesder Agent and payment any by mante by wire transfer to a U.S. dollar account attained by the payers with the bank in New York City.

much preparent away be made by west enumer as a bank to New York City.

The rate of interest for the period from (and including) the preceding interest Paymess Date (
1995) to (but excluding) 12 May 1995 on determined parament to Condition 5.11 (as inserted
Sixth Supplemental Trest Death) in the sum of A.25(20% and 2.8759%. The amount of sterest
to respect of each U.S.\$25(0,000 Original Principal Assount of Notes and each Capitalized Market For added in support of each U.S.\$25(0,000 Original Principal Assount of
determined purposes, to Condition 5.11 will be U.S. \$3,348.34.

Principal Transfer Agent and Reminute Payment Resistant

Principal Transfer Agent Resistants

Principal Transfer Agent Resistants

Principal Paying Agent
Burchys Benk PLC
clays Clobal Sourcides Services
re House. The White Home Business Park Insutridge, Wilmhite, England, BA14 O'T

23 April 1995

REPAP ENTERPRISES INC.

Banca Nazionale del Lavoro S.p.A. (London Branch) DM 75,000,000

Floating Rate Depositary Receipts due 1995

In accordance with the Conditions of the Receipts, notice is hereby given that for the Interest Period from April 28, 1995 to October 31, 1995 the Receipts will carry an Interest Rate of 4.66797% per annum. The Coupon Amount payable on the relevant interest Payment

Date, October 31, 1995 will be OM 241.18 per DM 10,000 principal amount and The Reference Agent Kredietbank Lummbourg DM 2,411.78 per DM 100,000

> KB IFIMA N.V. KB Internationale Financieringsmaatschappij N.V. US\$ 150,000,000

Guaranteed Floating Rate Notes due 2011 In accordance with the Description of the Notes, notice is hereby given that for the Interest Period from April 28, 1995 to July 31, 1995 the Notes will carry an Interest Pate of 6.2125% per

The interest Amount payable on the relevant interest Payment Date, July 31, 1995 against coupon N° 37 will be US\$ 162.22 per US\$ 10,000 principal amount of Note and US\$ 4,055,38 per US\$ 250,000 principal



### fortis AG

#### Dividend increases sharply

Dividend per share (in BEF)	19	94	15	Increase of the	
	gross	nel	gross	net	net dividend in %
Ordinary share	100.00	74.25	76.77	57.00	30
Share with reduced withholding tax (AFV share in 1993)	100.00	86.51	80.07	59.45	46

#### Optional dividend

Subject to the approval by the general meetiog of 50 May 1995 of the amount of the dividends relating to the 1994 financial year, the Board of Directors of Fortis AG proposes that these dividends be paid to shareholders either in cash or in shares.

The subscription price of the shares, which will serve to increase the capital of the company, will be set on 30 May 1995.

This price, divided by BEF 74.25, will give the number of no. 6 coupons necessary for subscribing one new share. The new shares will be shares with reduced withholding tax (VVPR shares).

The brochure explaining the practical arrangements of the stock dividend will be available as from

The subscription period for the stock dividend runs from 9 to 20 June 1995 inclusive.

Dividends not applied to the capital increase by means of stock dividend will be paid in cash as from

29 June 1995.

Holders of VVPR shares may also opt to receive their dividends in the form of new shares on the basis of a dividend of BEF 74.25 per share. The difference between this amount and the cash dividend on VVPR shares, i.e. BEF 12.36, will be payable in cash as from 29 June 1995.

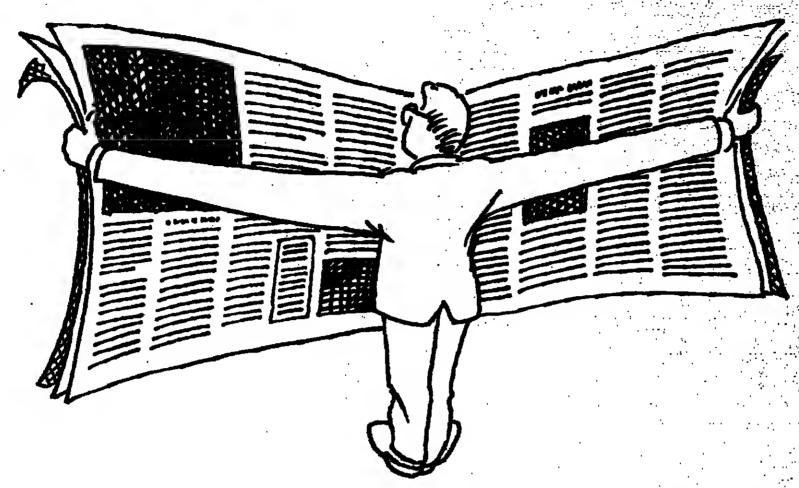
Further explanations can be obtained by phoning 52 (0)2 220 78 67

Fortis AG S.A. Boulevard Emile Jacquain 53 1000 Brussels, Belgium Brussels Trade register no. 1811

**Fortis** 

Fortis AG and Fortis AMEV are the two pareot companies of Fortis

# How do you keep up with an expanding Europe?



# Europe's essential online business information service from the Financial Times.

Now that the single market is a reality, the need for business information ... on markets, on your competitors, on European legislation... has become more urgent.

So how do you keep up with all of the changes? And how do you separate the useful information from the time-wasting trivia?

#### You need FT PROFILE.

As a Financial Times reader, you already know where to turn for authoritative reporting on the issues and events that influence European business. FT PROFILE draws on this authority and on hundreds of other equally important information sources to give you the facts you need - in seconds.

### FT PROFILE is easy to use.

All you need is a PC, a phone line and access to FT PROFILE. It helps you sift through the millions of pieces of available information for the facts that can make the difference between a good guess and an informed decision.

To learn more about how FT PROFILE can enhance your perspective on business in Europe and the world, call us now, or simply complete and return the coupon to...

FT PROFILE, 13-17 Epworth Street, London EC2 4DL, Great Britain. Tel: +44 (0) 71 825 8000. Financial Times Information Services, Nibelungenplatz 3, 60318 Frankfurt Main, Germany. Tel: 069/15 685 - 113.

Financial Times Information Services, Bureau De Vente Paris, 168 Rue De Rivilo, 75001 Paris, France. (1) 42 97 06 10.

Name		No. of employees under 50 50 to 100 over 10
Job Title		140. of employees ander 50 50 to 100 over 10
Company		I already use online Yes No
Nature of business		
Address		TOPOEIIE.
		BUSINESS INFORMATION
Postcode	Telephone	A BUSINESS INFUNIVIATION
Country		PART OF THE FINANCIAL TIMES GROUP

حكدا من الاحل

FRANKS FRANKS

#### **COMMODITIES AND AGRICULTURE**

### EBRD backs Ukrainian oil and gas project | Argentina hails a year free

By Matthew Kaminski in Klev

The European Bank for Reconstruction and Develop-ment has finalised an \$8m deal to help extract oil and natural gas in central Ukraine.

The London-based bank's first private sector loan in Ukraine will support the Poltava Petroleum Company, a joint-venture involving JKX Oil and Gas of the UK, a \$100m private company, with 49 per cent, to raise output at its five wells on the Novo-Nikolaevskoye field near Poltava,

Mr David Davis, the company's general director, said the

phase was intended to push daily production up to 1.3m cu m of natural gas and 1,700 tonnes of oil by June 1996. The company, which started oil production late last year

that capacity.
It believes the Nove-Nikolaevskoye field contains proven reserves of 1,100bn cu ft of natural gas and 60m barrels of oil and oil condensate. The 20-year expansion programme aims at peak capacity of 7m cu m of natural gas and

3,000 tonnes of oil and conden-

complete wells originally dril-

The EBRD funds will help

sate a day, Mr Davis said.

and natural gas early this year, currently operates at a third of

led by Ukrainian companies up to 20 years ago, drill new wells and install export facilities. The Ukrainian government, a party to the joint-venture,

has first right to buy at world prices all oil and gas produced at Poltava. Mr David Robson, JKX managing director, said the company wanted to contimping selling to Ukraine. The oil can be refined at the nearby Kremenchuk refinery, one of Ukraine's six refineries.
"Profit is outstanding," Mr

Robson said. "We've chosen to reinvest continually." JKX's other Ukrainian venture, the Crimean Petroleum Company, planned to exploit

the first offshore well in the

Black Sea in July, Mr Robson

Ukraine's plentiful natural resources were not developed during the Soviet period when other regions, such as Siberia, could be exploited more cheaply. But newly Independent Ukraine has looked to its resources and a good energy transport location and infrastructure to break free from iependence on Russian energy. The second biggest east European country in January approved a plan to construct a new 40m tonne oil terminal near Odessa that would receive

Middle East crude via Turkey's

Samsun Black Sea port for

domestic use and re-export.

Mr Ronald Freeman, the EBRD's vice president, this week called the Poltava project an important if small step in diminishing Ukraine's dependence on foreign energy sources and reducing the need to export hard currency to purchase mainly Russian oil and gas.

"This is not the last loan to the gas sector," be said. Ukraine in just three years has run up a \$6.76n national debt. overwbelmingly for energy.

Mr Freeman called energy a

priority sector as the EBRD this year sought to double coming its exclusion from many markets, including the US, which has barned imports of mitments to Ukraine, currently Argentine fresh beef for 60 In 1995, Argentina expects to earn about some \$900m from some 450,000 tonnes of exports,

By David Pilling

greatly encouraging its hopes of exporting beef, according to the National Animal Health

The presence of the disease

bas bampered exports of

Argentine meat for years, caus-

#### export drive by persuading the US to authorise imports of Argentina yesterday celebrated one year without an outbreak of foot and month disease,

freed of import bans

of foot and mouth disease

20,000 tonnes of boneless meat. Meat on the bone is far more likely to transmit the disease. Last year US sanitary offi-cials visited Argentina to determine whether foot and mouth had been fully eradicated. Mr Felipe Solá, Argentina's agricultural secretary, has described a relaxing of the

US ban as "the concrete prize

Argentina hopes to begin its

we are looking for". Argentina hopes to market its grass-fed beef raised on the pumpa as better quality than the meat produced by its competitors. Import approval by but believes it could double the the US could lead to the openquantity exported in a matter ing of markets in Japan and

have also banned Argentine

Since 1989, farmers have spent an estimated \$100m on a vaccination campaign aimed at eradicating the disease. Before the campaign began, Argentina had around 300 outbreaks a year, according to officials. Mr Domingo Cavallo, econ omy minister, says that even if trading partners are unwilling to certify that Argentina has completely eradicated the disease, it should accept beef imports from designated ase-free zones of the coun

However, it is not clear whether potential buyers are fully satisfied that Argentina has adequate regulations to prevent the movement of cattle from one region to another.

### India aims for richer sea food cocktail

Too little value is being added domestically to the country's catch, writes Kunal Bose

ndia's progress in adding export can come about only value to its marine products before export has so

far been painfully slow.
"Of our total expected export of \$1bn worth of marine products during the year to March 31, 1995, the share of valne-added items will be less than 10 per cent," according to Mr K.B. Pillai, chairman of the Marine Products Export Devel-

opment Authority. India continues to export marine products mostly in bulk it because it lacks the processing infrastructure for producing ready-to-cook and readyto-eat convenience packs. "We need foreign collaboration both in technology and marketing to be able to market specific products for specific markets. We have always been a hulk exporter of raw material in block frozen form, which at the buyer's end is reprocessed and packed under known brands,"

says Mr Pillai. Some Indian exporters, not owning any globally known brands, have signed up with food companies in the US and the UK to market marine products in value-added consumer packs, says the MPEDA chairman. "The structural change in India's marine product

COMMODITIES PRICES

LONDON METAL EXCHANGE

BASE METALS

gradually. I would like to see the share of value-added items constituting 30 per cent of our marine export by the turn of the century. But, I am aware that this is an ambitious tar-

Several seafood exporters point ont that, besides the value addition exercise, there is a need for improvement in product quality if they are to maintain exports to the European Union beyond January 1996. The inadequacy of existing quality control is underlined by the fact that nearly 20 per cent of the catch is discarded because of bad handling on board trawlers and at landing centres.

Under tropical condition, fish deteriorate quickly. "The basic challenge is to get the seafood frozen quickly following the catch," says an MPEDA official. "To the extent that our seafood is individually quick frozen, its hygiene and also its unit value realisation in the world market go up. We are going through a transitional phase from the traditional block freezing of marine products to the individually quick freezing of fish." Considering that India

> Precious Metals continued M GOLD COMEX (100 Troy oz.; \$/troy oz.)

exported well over 250,000 demand will exceed availabiltonnes of marine products in 1994-95, its capacity for individ-ually quick freezing about 400 tonnes a day, distributed among 75 plants, is clearly insufficient. However, the prospect of increased earnings and the availability of subsidies from MPEDA will encourage

more and more processor exporters to set up IQF plants. While we must strengthen our research and development machinery to be able to introduce new products in keeping with the changing dietary hab-Its in the developed countries which are our principal markets, the upgrading of seafood processing calls for the import of technologies in several fields," says an MPEDA offi-

The emphasis India is now putting on maximising fish export earnings is a response to changing conditions in the world food market. In all developed countries a major shift in demand from meat to sea food, which is seen as the safest food of animal origin, is taking place. There is already a shortfall in the supply of seafood and according to the MPEDA world ity by at least 20m tonnes by the turn of the century.
India's potential harvest from its 2.02m sq km exclusive economic zone is limited to an estimated 3.9m tonnes a year, but the country is second only to China in its scope for inland cultivation of fish.

The catch in coastal areas, within a depth of 50 metres, constitutes the overwhelming bulk of India's annual marine production of about 2.7m tonnes. According to MPEDA officials, while there is no significant scope left for any further exploitation of in-shore fishery resources, offshore areas remain largely unexploited.

However, there is not going to be much increase in offshore fishing, at least in the near future, as the government has decided not to issue any further licences to foreign companies or joint ventures for deep sea fishing pending a review of the 1991 policy. A fresh look at the policy is being taken in the wake of a country-wide protest by the traditional fishermen against the operation of deep sea trawlers.

The food processing ministry does not accept the contention

SOFTS

E COCOA LCE (C/torre

GRAINS AND OIL SEEDS

that deep sea fishing, which is yielding only about, 35,000 tonnes a year, has affected the traditional fishermen. The total number of vessels operated by joint venture companies in the Indian zone has fallen to 37 from 75 in 1990. Government officials say the ideal thing to do in the present circumstances would be to extend the reserved area for coastal fishermen from 12 to 15 nautical miles while encourage ing the corporations to step up

fishing in deep sea waters. Going slow on deep sea fish-ing will no doubt encourage poaching of marine resources by foreign trawlers and there is a strong case for encourage ing the setting up of more joint venture companies to facilitate the acquisition of trawlers and the transfer of fishing and processing technologies. However, as the Congress Party, which holds sway over the federal government, has recently lost elections in Andhra Pradesh, Karnataka, Maharashtra and Gujarat and the general election in the country is doe next year, the government is likely to frame the new fishing policy in such a way as to claw back popularity with the nearly 8m

people engaged in fishing.

### Inco in Brazilian nickel venture

The deposit, which is located

north-west of Brasilia, contains

Goias state, 150km

Inco, the Toronto-based nickel producer, has formed a joint venture with Korea Zinc to evaluate and possibly develop the Barro Alto nickel deposit in Brazil.

The partners aim to complete a detailed engineering study of the project before the end of the year. Construction work would begin shortly afterwards, with initial production expected towards the end

an estimated 36m tonnes of proven and probable reserves with a grade of 1.94 per cent nickel. A processing plant to be built on the site would have an annual production capacity of 40m lh of nickel matte with a life of at least 30 years. Inco has had an interest in

the deposit since the 1970s. A company official said yesterday that "a hunch of things have come together to make

this viable". They include taxa tion reforms, and the provision of infrastructure, such as a high-capacity power line and a modern road network. Inco has heen seeking a joint-venture partner for some time.

Under the agreement, Kores Zinc and its affiliates, including Korea Nickel, have an option to acquire up to 49 per cent of the venture. The Korean company will gain a guaranteed source of supply, and will handle the sale of surplus

### Strikes cut Jamaican bauxite output

By Canute James in Kingston

Strikes that closed two refineries in late January and early February and a cutback by an ore exporter depressed Jamaica's production of bauxite (aluminium ore) to 2.52m tennes in the first quarter of this year, 11.3 per cent less than the corresponding period

of last year. Alumina exports fell by 15.6 per cent to 665,887 tonnes,

MEAT AND LIVESTOCK

I LIVE CATTLE CME (40,000Ex; certs/Ex;

LIVE HOGS CIVE (40,000ths; cents/fbs)

63,700 +1,000 63,750 62,750 30,465 61,600 +0,650 61,660 61,000 11,025 62,825 +0,475 62,975 62,400 7,548 63,825 +81,400 63,950 63,450 3,829

according to the Jamaica Bauxite Institute. Alumina Partners, which owns the island's largest refinery, and Alcan Jamaica, which operates two plants, were closed for just under a fortnight by strikes in dispute with unions over a

new wage contract. Kaiser Jamaica Bauxite has cut its ore production by 25 per cent, and will produce 2.8m tonnes this year because of decline in orders. "We expect

alumina [aluminium oxide] production to improve later in the year if there are no more strikes at refineries," said s bauxite institute official.

An increase in demand by refiners lifted Jamaica's bauxite production to 11,76m tonnes last year, from 11.22m in 1993, while alumina production rose from 2.98m tonnes to 3.32m tounes, the highest ever annual output by the industry, according to the institute.

### limes.

an something the monds

asy to use. a phone line at

It helps you so eces of available that can make th YEARS MILE

SAME OF SIGN

MIT W.

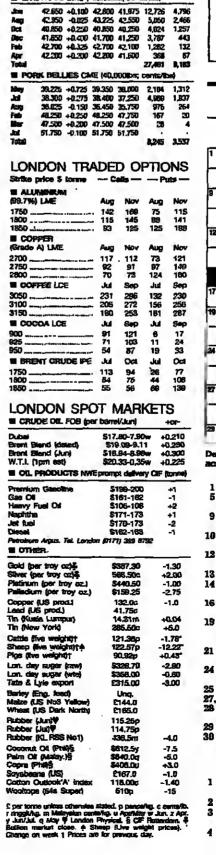
\$45 W

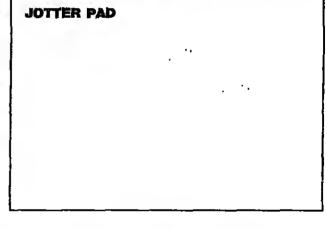
•

TIME GROL!

#### MI ALLIMINIUM, 98.7 PURITY (\$ per torne) 388.2 +2.0 388.2 387.0 274 95 388.9 +1.0 380.0 387.8 90,464 52,671 398.1 +1.8 380.2 381.3 20,878 825 386.4 +1.7 396.7 385.0 7.213 47 1822-3 1783-4 389.9 +1.7 403.3 +1.7 AM Official Kerb close 1792.5-93.5-1819-20 1808.5-0.0 198,952 84,700 PLATINUM NYMEX (50 Troy 02; \$4roy 02) Open int. Total daily turnover E W SAP DEC SAP July M ALUMINIUM ALLOY IS DOT TORK +6.6 +6.6 +6.6 Close Previous High/low AM Official 1720-30 1,375 682 22,493 3,161 1710-20 +1.35 162.50 158.25 182,05 +1.35 182,59 158,25 4,234 183,05 +1.35 183,00 181,00 2,058 185,20 +1.35 184,00 184,00 187 185,50 185,50 4,655 ■ LEAD S per tormel 626-8 619-20 626/023 # SALVER COMEX (100 Troy oz.; Cents/troy oz.) 625-25.5 624-5 613.5-14.0 574.2 +17.2 574.2 566.9 15,443 21,868 580.7 +17.3 583.0 580.0 58.5 580.5 Kerb close 32,830 Open Int. Total daily turneve 6,501 MICKEL (\$ per torre) 7340-50 7215-25 7251/7250 7 480-70 125.601 39,172 AM Official Kerb close Open int. Total delly turnover 7390-86 7480-70 48,882 10,336 ENERGY ■ CRUDE OIL NYMEX (42,000 US gails. \$/berrel) TIN (\$ per tonne) 5950-60 5910-20 4.244 Jes Aug Sup Oct Doc Total E ZINC, special high grade (5 per torne) 1095-7 1082-3 1080 1079-80 1115-6 . ORUDE OIL IPE (\$/barrel) Intest Day's price change 18.92 +0.21 18.40 +0.10 1117/1000 18.72 63.453 15.910 18.25 26.523 10.820 18.96 18.42 18.10 17.84 17.77 90.025 28,047 Alay Ang Sup Gel Duc Tubu E COPPER, grade A & per tone 2797-09 2769-70 2795 2795-80 .2760-61 HEATING OIL MINEX (42,000 US gain; e/US gain) | Latest | Day's | Figh | Low | Ret | Vol | S0.60 +0.13 | 50.80 | 50.45 | 12.043 | 12.247 | 50.50 +0.13 | 50.80 | 50.75 | 20.76 | 10.13 | 50.80 | 50.75 | 20.76 | 70.13 | 50.80 | 50.75 | 20.76 | 70.13 | 50.80 | 50.75 | 20.76 | 70.13 | 50.80 | 50.75 | 20.76 | 70.13 | 50.80 | 50.75 | 50.76 | 70.23 | 51.75 | 50.85 | 50.75 | 50.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.85 | 60.8 241,731 LME AM Official 5/6 rate: 1.6130 LME Closing E/5 rate: 1.6185 Spot: 1.6155 3 mithe: 1.6130 8 mithe: 1.6066 8 mithe: 1.6052 Bey's (change 19gh lear leaf - -0.05 - 464 -0.10 128.00 128.30 8,951 +0.20 124.80 124.90 23.35 124.90 124.8 Set: Dright | Dright PRECIOUS METALS MATURAL GAS HIMEX (10,000 MIRBL) \$/MIRBL) III LONDON BULLION MARKET Prices supplied by N M Rethischile \$ price 387.10-387.50 385.90-386.30 386.80 386.35 Wool Australian wool prices fell sharply at sales Sydney and Malbourne on April 26, the first bit held sinbs the Easter recess. The East merket indicator was 36 cents down to 3 cents, following 842 cents, practically in 8 with the high point of the season, before 1 break. Yesterday the indicator fell another cents to 753, important in causing the shi decline sets Citina's absence from the measure an important buyer. For some time Chines bean recognised not just the as the lead buyer as a support for the strong dense supply wool shuadon. Problems with firm application of an import duty pay a part reduced competition. New Zeeland crossor prices were increased asported eiter caler decline, and the world statistical shuad for wool is still seen as strong enough provent any prolonged colleges in prices. -Opening fix Afternoon for Day's High Day's Low Previous clo Listet Degrir plan the communication of the communi Silver Fix Spot 3 months 6 months 1 year 2,179 8,547 852 542 358 8,150 S price 389-392 397,85-40035

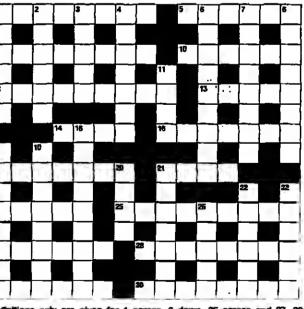
WH	EAT LC	E Æ per	torane)				■ COC	OALCE	(E/torr	· (or			
	Sett	Day's			Open			Sett				()pm	
	119.35	theogra	118 91	118.56	B63	189	May	954	+13	High 954		13,852	Yes SARD
	120,40	+0.20	120,75	119.50	780	81		985	+15	987	974	27,882	3,987
	104.75			105.45		71		1004	+12	1008		18,991	1.043
	107.65	+0.45	107.65	107.50	993		Met	1052	+10	1055	1044	24,836	
	109.25	+0.45	•	•	460	372	Total	1063	+10			6,118 128,399	11.350
MH	EAT CB	T (5,000	ibu min	coente			■ COC	DA CSC	E (10 t	onnes;			
	348/6	-5/0	355/0	348/0		2,833		1420	+28	1420	1397		686
٠	350/8	-1/5	356/4	357/2	7,158	8,974 1,788	Jul Sap	1439 1438	+28	1422		25,892 14,562	4,824
	370/2	24	375/4	36640	0,252	1,412	Dec	1478	+28	1478	1453	11,059	10
	375/4	-2/0 +1/0	3790 344B	3/5/0	595 89	78	Mar.	1510 1525	+30	1510		6,048 4,543	32
1	4440	+170	3445	3700	56,165		Tetal	IJLD	70	136	132	71,016	
UA.	ZZE CHT	(5,000	bu min	cents.	560 b.	(Jertes	■ COC	OA FCC	O) ISDF	's/ion	e)		
	248/5	-0/4	250/2			19,007				Prior		from.	
	255/2	-0/8	2564		131,587 28,626		Daily			952.87		900	0.75
	263/2	-1/4	2540	282/0	122,715	12,261	E COP	FREE LOS	(\$/torr	-)			
	258/2 273/4	-1/4		272/4	12,250	420	May	3138		3190	3128	3,788	1,786
					340,857	56,257	Sap	3149		3189	3147 3116	16.812	2,853 791
M	RLEY LC						Nos ·	3096		3155	3095	1,855	55
	112.30	+0.55		112.00		- 10		3063	-37 -25	-		310	•
	104.55	+0.20		154.85	592	**	Table			, i		22,230	5,175
	108.55	+0.10	:	:	275			FEE 'C'	CSCE (	37,500	os, cen		
	110.00	+0.35		:	20		May	171.60		172.75		450	142
_					1,247	. 22	Last.	175.45		178.75 178.75	175.10 177.40	17,530 7,653	6,182
-	PAREAN			_	_	_	Bec	179.05	-2.20	180,00	170.75	5,037	125
	562/2 575/2	-2/6 -1/6	575/Z		14,525 53,003	14,355	Mar	181.15	-1.50 -1.65	181,65	181.75	1,829 64	113
	580/2	-1/5	582/4	580/0	8,532	1,197	Total					23,485	7,431
	585/0	-1/4 -2/0	566A 585A	584/4 580/4	5,173 37,386	539 8,256	E COF		) (US c				
	601/2	-2/2	603/0	601/0	2,766	142	April 28 Comp. dat			164.20		77EV. 6	
	ABEAN	OIL CE	77 (80 0		(32,055 . Certis/1)		. 15 day ar			158,68		159	
~	25.30	-0.10	25.49		_	8,806	M No7	PEMU	M RAY	SUG	RLCE	(certal	(adi
	. 25.27	-	25.36	25.15	37,127	10,428	May	13.15		13.18	13.13	677	486
	25.25 25.22	+0.01 -0.01	25.25 25.25	25.18	9,525, 6,370	7,892	Oct	13.20 12.58	:	:	:	2,380	:
	25.14	+0.05	25.20	25.00	6,338	253	Jan	13.25		-	•		•
	24.99	+0.02	25,05	24.85	14.774	752	Total	12.03			•	2,000 5,037	485
i O1	ABEAN	MEAL	CETA	00 tors		-	M WHIT	E SUGA	A LCE	(5/tona	-		
	. 161,2	-1.0	1821	181.0	11,630	11,910	Aby	3347	+0.9	336.7		13,926	
	155.5	-1.0 -1.1	157,4		40,225	13,598	Det Dec	296.9	-0.5 -0.6	305.0	303.0	5,134 2,271	304 111
	170.9	-1.2	172.0	170.5	7,344	793		298.4	-1.2	299.5	298.4	1,371	33
	1729	-1,1 -1,2	174.0 177.4	172.8	10,435	552 2,531	May Aug .	296.1 296.1	-0.9 -1,3	298.5 298.9	296.1	390 152	34
1				1144	94,573		Total					23,257	2,003
Ö	ATOES						E SUGA		_				_
	307.3	-3.7 +90.0	2100	305.0	173	13	May Jul	13.02	+0.13	13.54		16,524 1 83,687	
	87.5	-7.5	:		:	. :	6d .	10.89	+0.11	10.91	10.76	\$4,092	3,106
	120.0	-130.0 +3.7	123.5	120 0	279	33	Mar May	10.50	-0.01		10.55		1,214
		+5.6	-	*****	-	-	Jul	10.33	10.0		10.32	6,024	358
			re	04	414	45	Total	ON NV	E GO O	000-		47,773 Z	H,567
-	2500 2500		CS (2)	_	EST EST			105.45	_				1.185
۱	2358	+7	2365	2340	1,017	81	Jan 1	105.48	+1.41	105.50	102.05	20,387	3,823
	2060	+27	2265 2060	2240	32E	100	Dec .		+1.59		机场 77.52:		
	1900	•	2000	1990	1,137	93		10.58	+1.08	80.60	78.72	7,758	500
	1,895		1900	1895	457	45 383	Play	87.30	+1,50	81.30	79.50	2,674 58,856 1	
-		Free			4000		M ORAN	GE JUN	E NYC	Æ (15,0			-
	2333	220					May			00,707		2,791	
							Jul Sup	103,65		105.80	102.50	14,710 6,510	6,649 522
					_		Nov	105.75	-0.05	106.50	105.10	2,208	168
							. dan	107.75 110.75	+0.75	10.25	107.25 109.00	2,603	257 5
pol	٠	:	÷				. 7otal					0,042 1	
200	Mary William	of price	er fell i	sharply	at eak	is in							_
ç	by and a	the S	ne on /	opri 26	the for	st to	VOLUM	E DAT					
T'U	t indica	THE WAY	ь. ЭВ с	ents d	Diem bo	and 1	Open	Interest ts track CAME, C	and V	COME	CADE !	MOVIN EX. C	ST,
21 1	the Might	point (	of the	9666CT	, before	the	NYCE	CME, C	SCE M	d PE	Crude (	M are	one
	10, 793.						CIÓ III	B/158/5.					
că,	e was C	Zing's	-bsend	a front	the me	arket (							
8 b	BOT FOCE	grised	not just	the se	the les	ding	INDIC	ES					
χď	y wood	Shumbo	n-Pm	cients	with f	mer I	■ REUT		se: 15/5	V31=10	(0)		
pė,	adion of	en im	port de	uty pie	y a pe	rt In	Apr 2		er 25 333.2		h <b>ago</b> 9.5	year 1	
COL	were h	DVOVO	WOL S	Support	ed eite	r een i	# CRE					1,023	
W	dectine,	end the	world	statisti strone	cal stud	ation to	Apr 2		_		n ngo	your .	920
	-					1			***	844			





#### CROSSWORD

No.8,747 Set by QUARK



5 Judge some classes superior (6) 9 Old coin found by island's aristocrat (8)
10 Mark church difficult to find

perhaps (9) Fixes snail after shelling (5) 14 Left out of form; a bit sore? last one to argue (7)
19 No name with a lot of money returned is without interrup-

Bulawayo gallery (4) Rocket in for terrific flight back (5)

25 Not of high quality (5-4) 27, 29 The press (6.6) 28 It's clerk in trouble: one mak-30 English river in coloured environment? Rather naive

DOWN

1 Limited feature of fish item unfinished (6) 3 Bit of textile plant providing

Solution 8,746

vate demesnes (8)

to go in? (5,3) 18 Teacher in form will (8)

23 Earned poorly and

ment (7

Tate? (6)

11 Student in Londoo district getting wallop (4)
15 The hat to a cockney is given back in kind (3-8-3)

17 Type free to flow, how much

20 The head is father, mostly (4) 21 Cartilage girl set after treat-

22 An old ship right oot of the

closer (6)
26 The railway after a month is

### Land Securities whets investors' appetite

Land Securities, the premier UK property company, captured the attention of the eurobond market yesterday when it raised £200m through an issue

of long-dated bonds. Although the 25-year deal was essentially a domestic offering, it raised hopes in the

#### INTERNATIONAL BONDS

eurobond market that more sterling-denominated issuance was on its way. Land has a reputation for picking good moments to raise money, and its deal left the market hungry for more. However, given that many UK companies were flush with cash, syndicate managers were not holding their breath

As with the recent longdated sterling offering from Slough Estates, syndicate managers were divided about whether Land's deal was generously or aggressively priced, which indicated that the pric-

Argentina's

**Bradys** rated

with other debt

Standard & Poor's, the US debt

rating agency, yesterday assigned a BB- rating to the Brady bonds issued by Argen-

tina, the same rating that

applies to the country's other

foreign currency debt, writes Richard Lapper.

Moody's, e rival egency. rates Brady bonds a notch

lower than the other foreign

currency obligations issued by

a country. It argues there is e

greater likelihood of default on

S&P said its decision to align

the ratings of Bradys with

other categories "reflects their

equal seniority, dispersed own-

ership and declining, although

still important, share of public

Brady issues.

external debt".

Files to Fitteen Years Tress 1.3pc 2000 ...... Spc 2000‡‡ ......

10.92 6.09 8.09 9.32 12.14 7.50 9.13 8.21 8.20 10.15 4.58 8.42 8.25 8.40 8.261 8.49 8.70 8.52 8.57 7.10 119点 90数 90数 107点 15点面 106点 97点 108点 113点 76号 ing was about right. The lack of supply in the eurosterling market has meant there are few current-coupon deals against which new deals can

be priced.

Land's unsecured bonds were priced to yield 90 basis points over the 8% per cent UK government bond due 2017, and yielded only 30 basis points more than its secured debentures. Like Slough's deal, Land's bonds have a registered option which makes them eligible for corporate PEPs.

The bonds were sold quickly through Cazenove and S.G. Warburg, the joint leads with responsibility for distribution. This meant that by the end of the day, there were few bonds left with the underwriter,

The borrower is believed to

have chosen this old-fashioned syndicate structure for its deal. Although it worked well on this occasion, syndicate managers were ambivalent about followed the European Invest-

**NEW INTERNATIONAL BOND ISSUES** US DOLLARS Verbund\* Land Securities
Avco Trust(d); SWISS FRANCS Swiss Benk Corp. Deutsche Benk/Sch Pepsico \* Deutsche Finance Curação

12.00 150bn Final terms, non-calleble unless stated, Yield spread (over relevant government bond) at leurch supplied by lead manager. #Unitsted. ‡ Resting-rate note. #Semi-annual coupon. R: fixed re-offer price; fees shown at ns-offer level. a) 3-mith Libor +75bp. b) Burostate Secured Rated Assets. bi) 3-mith Libor +50p. c) Spens call option. Short 1st coupon. d) Callable on coupon dates from Feb.97 at per. d1) 3-mith Libor +1295bp. e) Long 1st coupon.

sector and raised L150bn through an offering of two-year fixed-rate bonds with e coupon of 12 per cent. Lead manager SBC said there was good demand for high-coupon and short-dated lira bonds among retail investors in Switzerland, Italy and the Benelux region. Mr Jonathan Nicholls, director of corporate finance and

lire at a substantial margin below Libor by swapping the proceeds of the offering. The funds will be used by Abbey's Italian operation and placed in its Italian investment portfolio. · Richemont, the Swiss-based holding company controlled by the Rupert family of South Africa, vesterday obtained just over fibn worth of sterling capital markets et Abbey, said equivalent in unsecured loan fecilities from ABN-Amro ment Bank into the eurolira he had achieved floating-rate

Union Bank of Switzerland to fund the purchase of the remainder of Rothmans International, the cigarette

The facilities, the terms of which were not disclosed, are being provided to New Tobacco Holdings, Richemont's subsidwithout recourse to Riche-

### Treasuries down ahead of GDP data

in New York and Graham Bowley in London

thin trading yesterday as trad-ers ewaited today's release of preliminary figures on firstquarter gross domestic product

At midday, the benchmark 30-year Treasury was down & et 103 to yield 7.333 per cent, while at the short end the two year note lost 🛔 at 99%, yield-

ing 6.551 per cent. There was little reaction in the market to the Labour Department's weekly release of figures on initial unemployment gains for the week ended April 22.

Although the number of people filing first-time claims for unemployment jumped to its

highest level since the week ended January 7, the figures failed to move the market off its lows, as traders remained

Analysts generally expect

GOVERNMENT BONDS

GDP growth to have slowed from the rapid pace of last year. The median economic forecast has it slowing to 2.9 per cent from 5.1 per cent in the fourth quarter of last

Adding pressure to bond prices was e new supply of two-year and five-year notes auctioned by the Treasury Department into the market on

And the currency market did little to support bonds. In morning trading, the dollar gained against the D-Mark but slipped against the yen, to DML3760 and Y83.64, compared with DM1.3680 and Y83.78 on

■ European government bond markets made little headway in subdued conditions. German government bonds fell back after rising to a high

of 93.18 on the June bund futures contract on Liffe, to settle et 92.85, down 0.07 point. Bunds received little stimulus from data showing e 0.2 per cent rise in April's cost of living index, in line with expectations. Mr Kirit Shah, of First Chicago, said bunds could suffer further losses over the next

Est. vol Open int.

38,127 112

Low

Sep 1-32 1-63 2-36

351,718 21,199 2,007

3313 1046

112,3 100% 100% 1094, 143,3 130 38½ 334, 117 72 135 130

9.14 9.58 8.74 11.95 10.47 10.38 9.09 9.02 9.83 4.17

research at IRI International said the key figure in today's US first-quarter GDP data would be the size of inventories. "If inventories are growing strongly, then the market will be optimistic that bonds can forge ahead," he said.

■ UK government bonds were dragged lower by bunds. Shortsterling continued to come under pressure following strong GDP data earlier in the week which has fuelled expectations of e base rate rise next

month. The June short-sterling contract has fallen to 92.75, implying short-term interest rates of around 7.25 per cent by the end of June, compared with expectations of around 7 per cent at the beginning of the week.

Un to 5 years (23)

FT-ACTUARIES FIXED INTEREST INDICES

118.20 141.60

+0.01 -0.13 -0.23

119.16

### Indian Hotels GDR priced 10% below stock

By Conner Middelmann

A \$75m offering of global depositary receipts for Indian Hotels was priced yesterday at Rs520 per GDR, representing a discount of about 10 per cent to the underlying shares.

Indian Hotels stock had traded most of the day around Rs575, but closed at Rs590. The GDRs, which will be listed in London, are due to start trading today. Morgan Stanley

While some dealers reported good take-up of the paper - one of only two GDR issues this year, and by a highquality company - others said it had been dogged by recent akness in the Indian stock and GDR market.

Still, dealers expect other GDR issues to surface in the coming weeks. These include a \$350m issue for Steel Authority of India via Merrill Lynch and a \$75m offering for Saw Pipes vie Kleinwort

Turkey, one of the few emerging markets which has been powering ahead this year, is poised to offer international investors new shares in e leading brokerage house,

The company plans to issue 115m shares as part of a capi-tal increase. They will be priced in e range of TL7,000 to TL10,000 each. Including e greenshoe option of up to 35m shares, the total issue size in dollar terms could be as high

The deal will be leadmanaged by Paribas Capital Markets and Turkey's Vakifbank. Some 60 per cent of the issue is targetted at international investors.

The issue represents strong play on the Turkish stock market, where prices and trading volumes have

# Meff poised to launch swaps trade initiative

Mett, Spain's options and launch an innovative clearing facility which will guarantee trades on the country's growing peseta-denominated inter-

est rate swaps market. Meff, through the Barcelonabased Meff Renta Fija (Meff RF), said its plans, which will cover swaps with a maturity of up to 10 years, would come into effect as soon as they were approved by the Spanish authorities. -

DERIVATIVE INSTRUMENTS

when they give us authorisa-tion," said Mr José Luis Oller, general manager of Meff RF. He estimates the size of the market at Ptalebn a day (in terms of nominal value).

"The software for the system has been tested and we have demonstrated in house that the system works," he: said.

The development comes amid discussion in the international derivatives markets about other exchanges and clearing houses extending their activities into the over the counter market. A number of other initiatives in the swaps market have been devel-

oped. Mr Oller said that Meff had received letters of intent from 12 Spanish and international banks wanting to act as clearing members for the new facil-

He said the swaps involved would be relatively simple deals, involving the exchange of fixed for floating-rate obligations. Trading would continue on an OTC basis, but the details-of-each individual transaction would be lodged

with the clearing house:

8.26 8.29 8.28

7.60 7.86 7.86

As well as giving a counterfutures exchange, is ready to party guarantee, Meff would mark positions to market on a daily basis, calculate all margins - in real time, as it does now for futures and options contracts - and allow members --to make payments on a net

Will HAIR

Mr Oller said Meff had developed an innovativa way of liquidating the swaps portfolio of any defaulting member.

Work on the new project, which has been proceeding for about two years, is partially motivated by the need to diversify the Spanish bond future and option business of Meff

RF. Turnover in a range of bond and Mibor futures and options contracts has risen steeply since the 10-year contracts were launched in 1992. Volume et Meff RF grew by 1422 per cent in 1994, to 19,735,329 contracts, making the exchange the fastest-growing in the world...

Growth has continued in the first three months of this year, with volume in 10-year bond futures reaching 1,465,837 in March 1995, the highest monthly figure for e

However, in the longer term, the prospect of European monetary union and the disappearance of peseta-denominated debt products is encouraging Meff RF to diversify, Although the initial focus of the new clearing facility will be on peseta swaps, Meff RF is hop-ing to extend it to cover other

Overall, the focus on clearing was part of e "defeasive. strategy" designed to meet the likely contraction in the number of derivatives exchanges, said Mr Oller.

Apr 27 Apr 26 Yr. ago Apr 27 Apr 26 Yr. ago Apr 27 Apr 28 Yr. ago

8.33 8.38 7.79 8.48 8.47 7.99 8.39 8.37 7.99 8.61 8.68 8.27 8.39 8.37 7.99 8.65 8.61 8.15

Richard Lapper

SHAPE CROSS.

#### WORLD, BOND PRICES M SUND FUTURES OPTIONS (LIFFE) DM250,000 points of 100% BENCHMARK GOVERNMENT BONDS Price change Vield 5g9 95.8100 +0.880 8.67 9.75 101.2400 +0.084 7.31 7.40 \$1.0700 +0.120 7.83 7.94 102.7500 -0.150 8.57 8.66 \$9.5200 +0.120 8.64 8.78 101.0900 +0.050 7.59 7.60 97.9300 -0.120 7.79 7.89 102.2100 +0.030 7.04 7.09 83.6000 -0.100 8.83 8.63 81.4200 +0.560 12.92† 13.15 108.7420 -0.220 2.61 2.56 108.6510 -0.430 3.39 3.32 104.3000 - 7.12 7.20 97.8000 +0.050 12.25 12.31 87.9100 -0.130 12.14 12.17 89.5750 +0.274 11.29 11.63 92-02 -5/32 8.25 100-21 -1/32 8.49 8.38 103-08 -2/32 7.03 7.02 103-14 +1/32 7.34 7.36 86.5800 -0.120 8.15 8.19 Vielda: Lecel marky 0.73 0.52 0.37 0.34 0.58 0.88 09/04 95.8100 01/05 101.2400 12/04 102.7500 12/04 89.5200 05/93 101.0900 04/05 97.3300 01/05 83.6000 01/05 83.6000 01/05 81.4200 06/99 108.6510 03/05 104.3000 02/05 97.8000 02/05 97.8000 02/05 87.9100 02/05 89.5790 02/05 89.5790 02/05 89.5790 M NOTIONAL ITALIAN GOYT, BOND (BTP) FUTURES Sett price Change 94.40 94.49 +0.41 93.84 93.84 +0.41 94.75 93.84 III TTALIAN GOYT. BONO (ETP) FLITURES OPTIONS (UFFE) Lin200m 100ths of 100% CALLS Open Sett price Change High Trassury Bills and Bond Yields 5.94 Two year 5.59 Three year 5.57 Fire year 6.00 10-year 6.23 30-year M NOTIONAL UK GILT FUTURES (LIFFE)\* £50,000 32nds of 100% Jun 0-28 0-55 1-32 Aug 1-37 1-06 0-46 **BOND FUTURES AND OPTIONS** France III ECU BOND FUTURES (MATE) ECU100,000 113.22 112.80 112.54 113.26 112.84 112.58 113.56 113.90 112.74 93,687 2,822 723 110,591 8,495 763 Strike Pnce 111 112 113 114 115 Sep 0.86 1.18 1.59 Jun 0.12 0.25 0.54 1.07 ■ NOTIONAL LONG TERM JAPANESE GOVT. BOND FUTURES (LIFFE) Y100m 100ths of 100% German High Est vol Open int. -0.07 -0.12 112022 176357 UK GILTS PRICES 8.49 10812 8.40 1083 8.40 1083 8.39 1003 8.89 1223m 8.30 855 8.43 97 8.70 1183 8.87 1283 8.30 1043 8.33 1043 8.33 1043 | 103.5 | Index-Lisient | 103.6 | 1.32 | 3.21 | 20.77 | +3. | 200.6 | 20.14 | 1.35.6 | 2.51 | 3.47 | 10.34 | 1.00.6 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 10.04 | 8.92 7.56 8.60 8.44 10.19 8.13 8.25 10.05 8.43 10.42 8.56 8.24 107,2 90,5 107,5 101,6 123,6 97,6 97,6 173,2 101,6 105,6 105,6 105,6 105,6

Deer Filterin Years
Tress 8 1/4pc 2010
Conv Spc Ln 2011 11
Tress 8pc 201211
Tress 8pc 201211
Tress 8pc 201311
Tress 8pc 201311
Tress 8pc 2015
Spc 2015

8.38 105½ 8.36 105½ 8.15 75¼ 8.32 96¾ 8.33 94¾ 8.29 97¾ 8.30 104½ 8.52 132¼

8.52 8.30 5.96 8.48 8.35 8.39

dex-linked Up to 5 years (2)	192.12	+0.0	2	192,09	0.35	2.57	Up to	5 yra	3.5		3,33	3,44		Apr 27	1.8		47.	e e e e Na se e e	-
Over 5 years (11) All stocks (13)	178.65 179.14	40.0	1	178.63 179.11		1.73	Over 5			78	3.78	3.48		3.59	8.5	8 . 3	29		
rage tross redemption yield			-	-			%-10 <del>*</del> %;	High: 1	1% and	over. 1	That y	oki. yki Ye	e fo, debe.	. 24 - 4				در د زخوی را	١,
												٠.			1.1		·		
											٠.	• **			- 2 -	٠	4. : : :		٠.
FIXED INTERI	ST IN	DICE	S				. (	GILT	EDO	ŧΕD	AC	TIVITY	INDH	CES.			÷.,,,		
Apr 27	Apr 26	Apr 25	Apr 2	4 Apr	21 Yr ago High	. To	w*				•	Apr 26	· Apr 2		_		21	Apr 2	20
vt. Secs. (UK) 91,98 ed Interest 111,27					1 96.00 92.4 12 115.41 111.3				ged ba		• .	89.4	- 80.5		74.6 ·	79	wj.	79.	
r 1995. Government Securitie and Fixed Interest 1928. SE	s high ainci	complan	oor: 12	7,40 (9/1				high sinc	oe compi	mion.	133.87	R1/1/849 . N	w 50.68 €	V1/70 B					
														-	·- <u></u>			Ċ	_
T/ISMA INTERN	ATION	AL DO	NO.	97-	MCE												ė		
ed are the lefest international			4			Latert	ovices et	7-10	on Arr	97		-			-			-	
establiche som en en en ca usel		Offer			as accoming magnes.	Laborat	lastrod	Bid			Yield				brond	Bid	Ogjer	Cbg.	1
DOLLAR STRAIGHTS					United Kingdom 72				1033		5.67		d Trossury			94	D41g	·÷	. 5
ry Mad Transvry 5½ 03 an Dev 6k 7½ 23	000 93 <sup>3</sup> 1 000 913	93%	4	7.63 8.12	Volkswagen Inti Fin 7 World Bank 0 15	03	1900 2000	97% 22%	98 <sup>1</sup> 22 <sup>7</sup>	478	7.40 7.52	British Lar	114 90 184 23 2	·	100 150	105\4 89 <sup>1</sup> 2	105%	٠.	10
en Dev 8k 7 s 23 ria Province 7 s 98 ria 8 2 00	000 1015	101% 105%		7.07	World Benk 0 15 World Benk 5% 03 World Bank 8% 00		3000	61% 111	01%	412	7.17 8.12	Denmark	d 8% 23 £		- 800	95 <sup>1</sup> 2	95 a	_	. 6
51-YVuertt £-Fin 64g 00	900 1039 <sub>8</sub>	1034		7.1B					1115	, <del>'</del>	0.12	Halliax 10	972 992.		100	95³a 103¹2	95 <sup>3</sup> 2 103 <sup>3</sup> 4	-	1
Ned Germeenten 7 99	000 1004 500 103%	100 <sup>3</sup> e		6.95 7.22	SWISS FRANC STR Asian Dev Bank B 10	ARCHIS	100	105	198	442	. 551	History 16	13 97 P Langs 11.68	OP P	500 ·	103 <sup>1</sup> 2 110 <sup>1</sup> 2	1034 1107	<u>구</u>	-1
r Vereinstak 8 <sup>1</sup> g 00	900 87 <sup>3</sup> 8	875g	냨	7.55 6.92	Austra Dev Bank 8 10 Austra 4 <sup>1</sup> 2 00 Council Europa 4 <sup>3</sup> 4 9		1900	100%	100%	12	4.32	my 1012	14 2		490	105	105	_	
h Columbia 7 %, 02	500 1014	102%	-	7.40	Denmark 44: 99		1900	100%	102 100 <sup>1</sup> 2 .	+4	4.12	Land Section 17	81 <sub>2</sub> 07 £ .	*	200	93 <sup>3</sup> 8	933 1013	3	1
da 6 <sup>1</sup> 2 97	500 124; 000 994;		4	6.93	EB 64 04		300	1125 1125	109 <sup>1</sup> 2 112 <sup>1</sup> 2	44	5.50	Property.			300	003.	109 <sup>1</sup> 2	1-	, 5
ng Kong Fin 5½ 98	000 90¾		4	8.72	Finland 7 <sup>1</sup> 4 99 Hyundai Molor Fin 8 <sup>3</sup>	- 67	300	109 <sup>1</sup> 4 107	110	-12	4.88	Seven Tire	rt 11 <sup>1</sup> 2 99 Power 11	2	150	1087	1084	Ι,	1
cil Europe 8 98	100 101%	1015	-	8.79	iceland 75 00	2 8/	100	10012	11012		5.49	WIDEN ME		W3	— 100 ·	8843	109%		. :
Foncer 91 <sub>2</sub> 981	200 197½ 000 97¾	107% 107%	4	7.17 6.84	Kobe 5 <sup>1</sup> t 01 Ontano 6 <sup>3</sup> t 03		240 400	1073 <sub>1</sub>	100 105 <sup>1</sup> 2		4.99 5.44	TCAZ Fin	94 02 NZ3		7770	1033	1045g	1	
Japan Rahway 6% 04	000 \$35	94	ᅽ	7.64	CAMPOC MINING 5 OB .		700	धान्	914	4	- 5.96	Bec de Fr	ance 8% 22	H	_ 3000	1017	1023 -		1
B <sup>1</sup> 4 98	100 101 <sup>1</sup> 2	101%		6.81	SNCF 7 04 World Bank 5 03 World Bank 7 01		160	112 1004	112½ 101¾		5.34 4.88		97 序		4000 ·	10312	103-4	- 1	7
4 961 4 971	250 101½ 000 105¼		<u>۔</u>	8.71 6.90	World Bank 7 01		600	110	11012		4.98	FLOATEN	RATE N	TES	legued	. 196			÷
de France 9 98 Benk Japan 8 02	200 104%	1053	7	7.06 7.37	YEN STRAKSHTS		<b>T</b> 400	4007	4002			Abbuy Na	Treasury -	J. 00		99.70			C.
rt Dev Corp 612 98	150 10875	1087.	٦,	7.14	Bis 9% 00		100000	1175	1003, 1175 <u>.</u>	4	279 277	Danie and	_ < ~			99.57	99.	67	82
ral Netl Mort 7,40 04 1 nd 6% 97 3	000 99 <sup>5</sup> u	297	7	7.44 7.03	Ex-Im Bank Japan 43 Inter Amer Dev 714 00		_ 105000 30000	107 <sup>1</sup> 4 120 <sup>1</sup> 2	107 <sup>1</sup> 2 120 <sup>2</sup> 3	3	3.37 2.91	Bros - 0.0 Canada - 1	2 86		500 350	100.10			5.3 6.2
Motor Credit 6 <sup>1</sup> 4 99 1 Sec Capitel 6 <sup>2</sup> 1 95				7.21 6.82	Japan Dav Bk 5 99 _		. 3000000	99 <sup>3</sup> 4 170	1104	4	2.58					99.23		33	8.0
k Japan Fin 7% 97	200 100%	1013	-19	7.38	Japan Dev Bit 612 01		. 120000	116 <sup>1</sup> g	1194	4	3.15	Credit Lyo Denmark -	mets & 00		_ 300	96.97	-97	E3 (	6.0 6.6
Amer Dev 75 98	200 101 500 94 <sup>1</sup> 2	94%	4	6.79 6.98	Nippon Tel Tel 5% 96 Norway 5% 97		50000 . 150000	1055g	105% 106½	4	1.79 1.80				_ 1600	99,79		4.	8.1 4.8
5½ 23 5 n Dev 9k 5½ 01	TO 105		*	6.74 7.25	SNCF 64, 00 Spain 54 02			1174 1144	118 1143	4	2.78 3.42	Pintand 0 9	Rat 0.10 97		420	99.67	100	D4 . /	8.1
Bec Power 63 00 1	50 90 <sup>1</sup> 9	90	1	8.14	Sweden 43, 98 World Bank 54 02		150000	198	10814	-1	2.36	M Benk b	W 4,99 _	,	500	99.90	100	D1 (	6.7
S Fig 8 97 1	000 994	8815		7.52 7.52			. 23000	7127	112%	پ.	3.24	UKB Bade	- Wheet Fo	그 OA	-1000	99.94			6.5 5.6
Bay 7 <sup>1</sup> 4, 97 1 No 7 <sup>5</sup> 8, 03 3				8.75 7.60	CTHER STRAIGHTS Gentinence Lux 81/2 9		1900	105	198		7.61	Motorato 3	kPerpS6 ∴nn	.10	- 600	82.50 99.35		00 (	6.5
Kontrolibenk 8 <sup>1</sup> 2 (1) Canada 7 <sup>1</sup> 4 98	200 106	108%	4	7.20 6.98	IKB Daut Inclustok 812	03 UFr	3000	101	102		8.31	New Zeala Nova Scot	nd 960		1000	99.84	90.	92. (	BJ
cat 5% 03 1	000 89%	89%		7.61	World Bank 8 96 LFr ABN Armo 6% 00 A .		1900	100 <sup>1</sup> 9	100%		6.50	Ontario 0 9	6		_ 2000	99.66			6.4 6.2
ec Hydro 94, 98 ec Prov 9 98	200 204		쿸	7.50 7.43	Bank Ned Germeenten Ball Canada 10% 99 ( British Columbia 10 9)	798 FL	1900 150	105-%	98% 107%		7.34 8.63	Societa Ga	Name (199		-	99.44 99.73			8.0 8.3
bury 9 <sup>1</sup> g 96	150 102% 200 108%	103		6.98 7.68	British Columbia 10 90 Canada Mort & House			101%	10213		<b>8.</b> 12	State Bk V	Berlin -0.0	598 DM .	400 .	29.98	100	18 .	4,6
912 98	150 106%	1074		7.03				100%	100%		B24	OMEDEL ()	BB		7500	99,05			6.0 6.2
9 <sup>1</sup> <sub>2</sub> 09	500 97 <sup>3</sup> a 200 1015a	975 <sub>8</sub>	-14	7.20 6.98	E38 10% 98 C\$ Bec de France 9% 99	C\$	150 275	104% 104%	105% 105%		8.14 8.38	Sweden -1 United King	Ci	5	- 2000 - 4000	98.91 99.83		10 f	8.1
ien 6½ 96 2	100 P4 <sup>1</sup> 4	941 <u>2</u> 91%	· Д	7.62 7.54	Gen Bec Capter 100 KW lot Fin 1001 CS	IC\$	300	1013 <sub>4</sub>	102 kg	ᅩ	8.28 8.81	CONNERT				windy	30.		80
Sec Power 6 <sup>1</sup> g (3 1 Metropolis 8 <sup>1</sup> 4 98	300 101 <b>7</b> ,	1021	-	6.87	Nipport Tel Tel 10% St	9 CS	200	1083	1067		8.45				C	Mir.		. : :	
a Motor 55g 98	800 95% 100 100	97 <sup>1</sup> s 100 <sup>1</sup> s	7	6.86 7.24	Ontario 0 03 C\$ Ontario Hydro 107: 98	CS	1000 500	95³4 107⁵a	96 <sup>1</sup> 2 108		8.85 8.50				load P	rice	Bid O	ler R	-
Ben 4 6% 99	330 105 <sup>1</sup> 4	105 <sup>1</sup> 2	4	7.10	Oster Kontrollognic 10 <sup>3</sup>	4 98 C\$	<b> 150</b>	1064	106%	÷	8.42	Browning F Chulch Cap Grant Vision					95 9	* +	150
Bank 64, 97 1	500 103 <sup>5</sup> E	103%		6.78	Cushec Prov 10 <sup>1</sup> 2 98 Council Burape 9 01 9	cu	1100	105 <sup>1</sup> 4 104 <sup>1</sup> 8	1064 1041 <sub>2</sub>	4	8.70	Gold Kalgo Hamson 6 <sup>2</sup>	one 7½ 00		65 105	54 11	03 1 10 025 10		H   -26
SCHE MARK STRAIGHTS	no 84%.	. 85	44a	7.85	Credit Funder 8* 04   Credit Lyannes 8 98	E01	1000	99 <sup>3</sup> 4 101 <sup>3</sup> 4	100 102	4				n	-		1218 101	•	<b>+11</b> ,
	700 100 <sup>1</sup> 5	10012	7	7.22	66 10 97 Ex		1125	104	104%	•	7.56 7.13	Hong Kong Land Secs	I MANAGE INC.			05	78% 75		27. 21.
ark 6 <sup>1</sup> s 98 2	ann euli-				Farro del Stat 10 <sup>1</sup> g 98 Italy 10 <sup>2</sup> g 00 Econ			10\$ 108	105 <sup>1</sup> 2 109 <sup>1</sup> 4	41 <sub>4</sub>	7.96 8.46	Lesmo 74	002	· ·	90 5		22.4 Bi		ñ,
he Bk Fin 7½ 03 2	200 101월	102			tally 10% 00 Ear Spein 9 95 Ear			102	1021 <sub>E</sub>		888	Miles Barris Miles Barris Mali Power Oction One	27)03 π6267		000 233	26	85. 95	4	กร์
5½ 00	000 100° <sub>4</sub>	100 <sup>2</sup> 1		631	United Kingdom 84s 0 ALDC 10 99 AS		100	105 <sup>1</sup> 2 101 <sup>2</sup> 8	105 <sup>1</sup> 4 102	竹.	7.58 . 8.49 ·	Nutl Power	6 <sup>3</sup> 4 08 2		100 22 250 4		774 95 44 100		453. -D
d 7 <sup>1</sup> 2 00 3	1035	103%	·ψ	6.56	Comm Bk Australia 13	F SE A	100	1134 86	114 <sup>1</sup> 8	45	9.72	Partent 43	500		96 20.0	77	6 8	. 4	45
<sup>7</sup> 4, 90	S0 91%	1025 <sub>1</sub> 92 <sup>1</sup> 4	1.	7.47	DB 73, 90 AS	25 AS	1000	04		+12 +14	9.09 9.49	Surface :				i.9 (	Mar Se		H8. H0.
ny 6 <sup>1</sup> s 96 1	200 100 <sup>5</sup> a	100%	سلم	5.89 7.48	R &   Bank 7 4, 02 A\$ State 9k NSW 8 02 A		125 300	96%	67°2		10.22 · 9.99	Teaco Card	H 0 00 0		35 (	78 · · 6	K 4 9	A,	18
	00 98%	100 <sup>1</sup> 2	#	7.27	Sth Aust Govt Fin 9 (2)	2 A\$	150	94	94 <sup>5</sup> 8	-	10.12	, UP (UP)	ments 24, Olion decile	02	00 8	4 12	46 J 125	:	#1
		108	_	5.95	Unitmer Australia 12 9	5 <b>/5</b>	150	105%	106 <sup>3</sup> 8	456	9,61	# Only one	merket me			PROB	_		-
ion 8 97 2 WORT BONDS: The yield is the VTING RATE NOTES: Denomination.	00 1647 <sub>5</sub>	100			Western Aust Total 75	29 AS	100	96	95³e	+44	9.58				Indian	•			••

#### CURRENCIES AND MONEY

#### MARKETS REPORT

ACIAL TRAINS FRANCHER

eff poised to inch swaps de initiative

France (Co.

The second

\$-**5**\*\*\*\*\*

Tropies .

\$ 4 A Dec 19 4 A

ATIVE

4 7 4 3

35,04

(4) (<u>4) (4)</u>

2- - Y

Part of the state of

UMENTS

المراجع المتعطفة

### Dollar still treading water after G7 meeting

The dollar yesterday continued its sideway progress in the aftermath of the G7 meeting in Washington earlier this week, writes Philip Gawith.

Traders remained perplexed at the manner in which the US currency has managed to hold its ground when everyone expected it to fall.

The dollar closed in London at DM1.3734 from OM1.3811, and at Y83.605 from Y84.125. Trading activity was very quiet, with the market still trying to assess what the next move in the dollar will be. In Europe attention focused on the French franc. Continued

saw the franc slip to FFr3.538 against the D-Mark, from The Danish krona finished mildly weaker after the central bank cut two week interest rates to 6.5 per cent from 6.75 per cent. The Escudo finished

at Es105.9 against the D-Mark,

from Es105.7, after reports that

the central bank had bought

(SET) 13.6336 (SET) 45.8899 (DKr) 6.7458 (FM) 6.8555 (FT) 7.8621 (DM) 2.221 (DM) 2.221 (DM) 2.220 (E) 0.8860 (E) 2747.03

(2)

(Peso) (RS) (CS) (Peso) (S)

45.6999 2,4871 10.0075

1 2114

1,6179

1,4827 2,2070 9,3833 1,6176

50,7666

(Shid) 50,7866 (Shid) 4,7831 (Y) 135,260 (MS) 3,9927 (VZS) 2,4001 (Peno) 42,0629 (SF) 6,0677 (SS) 2,2533 (F) 6,8484

Apr 27

Europe Austrie Belgium Denmerk Finland France Germeny Greece Irakand

Norway Portugal Spain Sweden Switzerland

Singapore South Africa

1 2 2

P. \_\_\_\_\_

POUND SPOT FORWARD AGAINST THE ROUND

15.6335 45.6999 -0.0851 7... 4 6.8555 -0.0073 497 - 612 7.8621 -0.0255 588 653 2.2216 -0.0026 207 - 226 -0.148 233 57 271 8

-0.0192 246 · 425 -0.0851 705 · 093 +0.0072 396 - 520

+0.007 174 - 184

+0.0064 815 - 839 +0.012 060 - 079 -0.0641 486 - 179 +0.007 174 - 182

+0.0263 659 - 695 +0.0049 519 - 646 +0.0186 445 - 522

-0.001 102 - 126 1.2135 1.2057

uncertainty about the election

escudos around Es105.95 Sterling had a stable day, fin-ishing at DM2.2218, from DM2.2246, and at \$1.6178 from \$1.6108.

■ The search for the bottom in the dollar continues unabsted. With market rates apparently far removed from fundamentals, analysts have decided that contrarian indicators may be more useful than logic. The latest suspect is Mr

Jean-Claude Paye of the OECD, who said the dollar's long run trend is down. Mr Robin Aspi-nall, strategist at brokers Panmure Gordon, commented: "If the time has come when the head of the OECD can make such a statement, the trend is so well-accepted as to ensure that a temporary (but signifi-

1.6170 1.6163 1.6142 1.6005 -- Prov. close --1.8155 1.6148 1.8128

15.6750 15.5631 45,7970 45.4460 8.7536 6.6875 8.8950 8.8250 7.6732 7.8067 2.2257 2.2091

1,6165 1,6117

1.4874 1.4815 2.2079 2.1992 6.4179 9.3509

1.8165 1.6115

6.0700 6.0444 2.2557 2.2461 5.8522 5.8298

cant) reversal is imminent."
Adding his view to those who believe the dollar has taken leave of the fundamen-tals was Mr George Soros, the influential US investor. He told an audience in Vienna that "there is no such thing as fair value. It doesn't exist."

For the time being, the dollar seems to be stuck in a range. Indeed, it has traded in the DM1.3470-DM1.4220 range for nearly seven weeks. Mr Stephen Lewis of the Londoo Bood Broking Company said the dollar'a steady performance, post G7. "suggests that the market is prepared to wait to see how policies develop from here before making another major

Alas, for dollar bulls, it is not necessary to look beyond US-Japan trade talks to see where the next salvo may come from. The following round of talks takes place oext week. Recent meetings have been notable for the tough stance taken by both sides, and it is quite possible

110.5 67.9 109.5 114.0 69.0 96.9 64.3

110.7

82.7

77.9

170.9

98.3

One month Three months One year Bank of Rate %PA Rate %PA Rate %PA Eng. Index

15.6105 1.8 15.5633 1.5 48.6299 1.6 45.5246 1.4 44.9846 6.7633 -1.0 6.7568 -0.5 6.7252 7.8756 -2.1 7.8948 -1.7 7.8648 2.216 2.0 2.2086 2.2 2.1663

1.2112 0.2 1.2116 0.0

22104 -1.6 22148 -1.4 22155 -0.4

1.6172 0.4 1.6161 0.7 1.6016 1.0

Against the D-Mark (FFr per DM) 3.52 . ....

that these talks may end with the US imposing sanctions oo Japan, who will retaliate with threats of a widespread liquidation of US Treasuries.

Mr Lewis said: "There are no signs that trade frictions between the US and Japan will end any time soon. This will be a factor in the markets long after this week's G7 meeting has been forgotten. The Clincurreccies oot only in the that a weak dollar will be used as a trade weapon.

it also implies a view of the world in which the USA no longer exercises a leadership role, underpinning the dollar's positioo as a reserve currency, but is merely the centre of one of several competing trade

rency strategist at JP Morgan in Loodoo, said the market was clearly "less convinced oo the downside" than it had beeo before. Its failure to sustain any upward rally, however, made him suspect that the downside would re-assert itself.

m Mr Persaud said the weakness of the franc reflected the market view that "the franc fort policy may have been toppled from the top of the agenda." He said uncertainty about policy priorities meant that further weakness in the

DOLLAR SPOT FORWARD AGAINST THE DOLLAR

The waters were further muddied yesterday by speculatioo that Mr Jacque Delors, for-mer president of the European Commission, might be willing to serve as prime minister under Mr Liooel Jospin. His involvement would improve the chances of a socialist vic-

tory, and allay fears of a

Mr Avinash Persaud, cur- Liquidity conditions in UK money markets eased slightly with three mooth LIBOR retreating to 612 per cent from 7 per ceot. The Bank of England provided £360m late assistance. Earlier it had provided £240m at established rates after forecasting a £750m

retreat from franc fort.

BOTHER CURRENCIES 

Clearing   Creange   Bedreffer   Dey's mild   Dey's mil	i	me so n the week	on This marke 's G7	will be ets long meeting he Clin-	pled agend about	from la." He policy further	said i	op of uncerta ities m	the inty eant	Iran Kumati Potanti Russa N.A.E.	0.472 3.813 8285.1	6 - 2830.45 3 - 64733 8 - 3.8159 8 - 8285.94 4 - 5.9440	8.2920 2.3589 5120.00	- 1750.00 - 0.2825 - 2.3561 - 5122.00 - 3.6732	Densh K D-Mark Dutch Gr French F Portugue Spanish Sterling	uider iranc ise Esc.
Closing	١	SP	T FOF	WARD	AGAINS	I HE	DOCU	R T							Swise Fr	
(Sep.) 2.66235 -0.0539 603 - 666 9,7015 6.2235 6.6315 1.3 9.537 1.3 108.2 (Sep.) 28.2420 -0.1755 370 - 470 28.3700 28.1400 28.2165 1.1 28.167 0.6 26 0.6 20.6 110.6 (PM) 4.2175 -0.023 30 - 403 4.247 4.2217 4.2378 -0.10 5.4165 -0.7 5.4335 -0.5 110.0 (PM) 4.2375 -0.023 30 - 403 4.247 4.2217 4.2378 -0.10 4.2382 -0.1 4.244 -0.1 86.5 (PM) 4.2375 -0.023 30 - 403 4.2474 4.2217 4.2378 -0.1 4.2382 -0.1 4.244 -0.1 86.5 (PM) 4.2376 -0.003 20 - 403 4.2474 4.2217 4.2378 -0.1 4.2382 -0.1 4.244 -0.1 86.5 (PM) 4.2376 -0.003 20 - 403 4.203 4.203 4.203 -0.1 4.2382 -0.1 4.2382 -0.1 86.5 (PM) 4.2376 -0.003 20 - 7.77 1.3793 1.3688 1.3716 1.8 1.386 1.8 1.3857 8.0 8 8.2576 -0.9 0.3 (PM) 4.2376 -0.002 365 -386 1.6450 1.6315 1.6833 -0.5 1.84 -0.6 1.8521 -0.9 0.3 (PM) 4.2430 -0.1755 370 -470 28.3700 28.1400 28.2166 1.1 28.187 0.8 28.022 0.8 110.6 (PM) 4.2430 -0.1755 370 -470 28.3700 28.1400 28.2166 1.1 28.187 0.8 28.022 0.8 110.3 (PM) 4.2430 -0.1755 370 -470 28.3700 28.1400 28.2166 1.1 28.187 0.8 28.022 0.8 110.3 (PM) 4.2430 -0.1755 370 -470 28.3700 28.1400 28.2166 1.1 28.187 0.8 28.022 0.8 110.3 (PM) 4.2430 -0.1755 370 -470 28.3700 28.1400 28.2166 1.1 28.187 0.8 28.022 0.8 110.3 (PM) 4.2430 -0.1755 370 -470 28.3700 28.1400 28.2166 1.1 28.187 0.8 28.022 0.8 110.3 (PM) 4.2430 -0.1755 370 -470 28.3700 28.1400 28.2166 1.1 28.187 0.8 28.022 0.8 110.3 (PM) 4.2430 -0.1755 370 -470 28.3700 28.1400 28.2166 1.1 28.187 0.8 28.022 0.8 110.3 (PM) 4.2430 -0.1755 370 -470 28.3700 28.1400 28.2166 1.1 28.187 0.8 28.022 0.8 110.3 (PM) 4.2430 -0.1755 370 -470 28.3700 28.1400 28.2166 1.1 28.187 0.8 28.187 0.8 28.22			Closing	Change	B-d/offer	Day	mid	One m	onth						Italien Lie Yen	re. 1
Characteristics   Characteri		(Sch)	e.6835				e.6235	e 6515	1.5	e.6315	13	9.537	1.3	108.2	Short terr	rates ere
First   4.2375		(BFr)		-0.1755	370 - 470	28.3700	28,1400	28.2165	1.1	28.187	0.6	26 D82	0.6	110.6	S THE	BE MONT
(PH) 4.2375 -40.025 590 -605 1.8674 4.2277 4.2376 -1.1 4.2385 -0.1 4.2387 -0.5 108.3 50.0 50.0 50.0 50.0 50.0 50.0 50.0 50		(DK)	5,4060	-0.01e	035 - D85	5.4155	5.3765	5 4105	-1.0	5.4155	-0.7	5,4335	-0.5	110.0		000
DM		(FM)								4.2382	-0.1	4,241	-0.1	86.5	l	-
Corr   1.000											-1.6			108.3		
(PS) 25-400 -0.14.13 650 -950 1705.00 1690.50 1704.95 -4.6 1717.5 -4.5 1791.5 -4.6 13.51 10.6 (F) 15573 -0.0002 368 - 376 1.5443 1.5316 1.5053 1.6 15.314 1.5 1.5153 1.4 110.3 (R) 1991 122.780 -0.0002 368 - 376 1.5443 1.5316 1.5053 1.6 15.314 1.5 1.5153 1.4 110.3 (R) 1991 122.780 -0.548 350 -490 147.430 144.880 145.82 -4.1 147.005 -4.5 152.38 -4.6 98.6 (R) 145.420 -0.545 350 -490 147.430 144.880 145.82 -4.1 147.005 -4.5 152.38 -4.6 98.6 (R) 145.420 -0.76 770 -810 123.100 122.430 123.00 -3.1 123.76 -3.5 152.38 -4.6 98.6 (R) 145.420 -0.76 770 -810 123.100 122.430 123.00 -3.1 123.76 -3.5 152.38 -4.6 98.6 (R) 145.420 -0.76 770 -810 123.100 122.00 -3.1 123.76 -3.5 17.405 -3.6 79.2 (R) 1375 -0.0002 320 -330 1.1390 1.1290 1.1290 1.1290 2.8 1.1251 2.8 1.103 2.5 114.1 (R) 1.3355 +0.0000 345 -365 1.3399 1.3303 1.3362 0.2 1.3349 0.2 1.3334 0.2 -4.0006 345 -365 1.309 1.3303 1.3362 0.2 1.3349 0.2 1.3334 0.2 -4.0006 345 -365 1.309 1.3003 1.3362 0.2 1.3349 0.2 1.3334 0.2 -4.0006 345 -365 1.60 -170 0.9100 -5.000 5.7800 5.8002 -0.5 5.8054 -0.4 5.8103 -0.2 -5.000 95.000 1.0000 13.750 0.313750 -5.8002 -0.5 5.8054 -0.4 5.8103 -0.2 -5.000 95.000 13.750 0.313750 -5.8002 -0.5 5.8054 -0.4 5.8103 -0.2 -5.000 95.000 13.750 0.313750 -3.145 -4.1 3.1705 -1.1 3.1313 -1.2 61.1 Mar 94.7 Mar 94																
(C) 1598.00 -14.13 650 920 1705.00 1690.50 1704.95 -4.6 1717.5 -4.5 1781.5 -4.6 63.1 (LF) 28.2420 -0.1755 370 -470 28.3700 28.1400 28.2166 1.1 28.187 0.5 28.062 0.6 110.6 (PH) 15.5773 -0.0929 368 -376 1.543 1.5343 1.5353 1.545 1.5 15.3 1.4 110.3 (NeV) 6.1859 -0.0321 842 675 6.2177 8.1582 8.1829 0.6 6.1745 0.7 6.1454 0.6 98.6 (PH) 122.780 -0.78 710 610 122.130 122.300 122.300 -3.1 123.06 -3.1 123.78 -3.5 127.405 -3.6 79.2 (PH) 122.780 -0.78 710 610 122.130 122.300 122.300 -3.1 123.76 -3.5 127.405 -3.6 79.2 (PH) 122.780 -0.78 710 610 122.130 122.300 122.300 -3.1 123.76 -3.5 127.405 -3.6 79.2 (PH) 122.780 -0.78 710 610 122.130 1.1290 12.4 1.129 0.8 1.1251 2.8 1.103 2.5 114.1 (PM) 1.2 (PM) 1.1325 -0.0020 320 -330 1.1320 1.1290 1.1290 2.8 1.1251 2.8 1.103 2.5 114.1 (PM) 1.1325 -0.0020 320 -330 1.1320 1.1290 1.1290 2.8 1.1251 2.8 1.103 2.5 114.1 (PM) 1.1325 -0.0520 3.45 -365 1.3399 1.3303 1.3362 0.2 1.3349 0.2 1.3334 0.2 -0.053480 -3.45 -365 1.3399 1.3303 1.3362 0.2 1.3349 0.2 1.3334 0.2 -0.053480 -3.45 -365 1.3399 1.3303 1.3362 0.2 1.3349 0.2 1.3334 0.2 -0.053480 -0.0538 800 -200 5.8200 5.7800 5.8022 -0.5 5.8054 -0.4 5.8103 -0.2 -0.053 800 -200 5.8200 5.7800 5.8022 -0.5 5.8054 -0.4 5.8103 -0.2 -0.053 800 -200 5.8200 5.7800 5.8022 -0.5 5.8054 -0.4 5.8103 -0.2 -0.053 800 -200 5.8200 5.7800 5.8022 -0.5 5.8054 -0.4 5.8103 -0.2 -0.053 800 -80.5 800 2.7415 7.7388 7.7389 0.3 7.7364 0.1 7.7522 -0.2 -0.053 800 -80.5 800 2.2020 5.8200 5.31200 3.3150 3.3150 -0.2 8.000 8.31200 3.3150 3														68.3	1	
(Fig. ) 28.2420 -0.1755 370 - 470 28.3700 28.1400 28.2165 1.1 28.187 0.8 28.062 0.6 110.5 (Fig. 145.420 -0.052) 388 - 378 1.5443 1.5318 1.5323 1.6 1.5314 1.5 153 1.4 110.3 (Fig. 145.420 -0.054) 360 - 490 147.430 144.850 145.62 - 4.1 147.066 -4.5 152.36 - 4.6 96.8 (Fig. 145.420 -0.054) 360 - 490 147.430 144.850 145.62 - 4.1 147.066 -4.5 152.36 - 4.6 96.8 (Fig. 122.7600.76 770 - 610 122.100 122.430 123.06 - 3.1 123.76 - 3.5 127.405 - 3.6 70.2 (Fig. 7.26450.0724 595 - 695 7.3360 7.1669 7.2817 - 2.6 7.3165 - 2.6 7.5045 - 3.3 74.5 (Fig. 7.13250.0062 320 - 330 1.1390 1.1290 1.1290 2.8 1.1251 2.8 1.103 2.5 114.1 (Fig. 7.1325 + 0.0060 345 - 365 1.3399 1.3303 1.3362 0.2 1.3349 0.2 1.3334 0.2 - 0.63480															INTER	33.4
CF1   23.2420   -0.1765   370 - 470   28.3700   28.2160   28.1187   0.5   28.1187   0.5   1.5															S THE	EL MONT
6.1659   -0.032  842 - 875   6.2177   6.1582   6.1829   0.8   6.1746   0.7   6.1484   0.8   98.6   6.8   6.2   6.8   6																_
Past   145-420   -0.548   350 - 490   147-430   144-850   145-82 -4.1   147-96E   -4.5   152-36   -4.6   96.8   96.8   96.9																Ope
Past   122.780															Jan	
(SK) 7.2845 -0.0724 595 -985 7,3380 7.1689 7.2817 -2.6 7.3165 -2.6 7.5045 -3.3 74.5 (SF) 1.1325 -0.0082 320 -330 1.1390 1.1290 1.1299 2.8 1.1251 2.8 1.103 2.5 114.1 (2) 1.5176 +0.007 174 -30 1.1393 1.1395 1.1392 0.4 1.5151 0.7 1.6016 1.0 83.8 (Pead 1.0001 - 0.00 - 0.01 1.0001 1.0000															Sep	93.6
(SFr) 1.1325 -0.0082 320 - 330 1.1390 1.1290 1.1299 2.8 1.1251 2.8 1.103 2.5 114.1 (c) 1.8176 +0.007 174 - 182 1.5185 1.6115 1.8172 0.4 1.6151 0.7 1.6016 1.0 83.8 (c) 1.3349 0.2 1.3349 0.2 1.3334 0.2 - 0.63480 0.9165 - 160 - 170 0.8210 0.9160 0.9160 0.9165 0.9850 0.9165 0.9085 800 - 200 5.8200 5.7800 5.8622 -0.5 5.8054 -0.4 5.8103 -0.2 - 89.1 0.008 800 - 200 5.8200 5.7800 5.8622 -0.5 5.8054 -0.4 5.8103 -0.2 - 89.1 0.008 800 - 200 5.8200 5.7800 5.8622 -0.5 5.8054 -0.4 5.8103 -0.2 - 89.1 0.008 800 - 200 5.8200 5.7800 5.8622 -0.5 5.8054 -0.4 5.8103 -0.2 - 89.1 0.008 800 - 200 5.8200 5.7800 5.8022 -0.5 5.8054 -0.4 5.8103 -0.2 - 89.1 0.008 800 - 200 5.8200 5.7800 5.8022 -0.5 5.8054 -0.4 5.8103 -0.2 - 89.1 0.008 800 - 200 5.8200 5.7800 5.8022 -0.5 5.8054 -0.4 5.8103 -0.2 - 89.1 0.008 800 - 200 5.8200 5.7800 5.8022 -0.5 5.8054 -0.4 5.8103 -0.2 - 89.1 0.008 800 - 200 5.8200 5.7800 5.8022 -0.5 5.8054 -0.4 5.8103 -0.2 - 89.1 0.008 800 - 200 5.8200 5.7800 5.8022 -0.5 5.8054 -0.4 5.8103 -0.2 - 89.1 0.008 800 -0.008 800															Dec	
(C) 1.8176 +0.007 174 - 182 1.6195 1.6115 1.6172 0.4 1.6151 0.7 1.6016 1.0 83.8   - 1.3355 +0.008 345 - 365 1.3399 1.3303 1.3352 0.2 1.3349 0.2 1.3334 0.2 -   - 0.63490   (Pead 1.0001														74,5	Mar	
- 1,3355 +0,0069 345 - 365 1,3399 1,3303 1,3352 0.2 1,3349 0.2 1,3334 0.2 - 0,03480 - 0,03480 - 0,001 1,0001 1,0000		(SFr)														
Check   1.0001   - 000 - 001   1.0001   1.0000		(2)												83.6	A THE	e Mont
(Pesol 1.0001 - 000 - 001 1.0001 1.0000		-		+0.0068	345 - 365	1.3399	1.3303	1,3352	0.2	1,3349	0.2	1.3334	0.2	-		000
Peacl   1.0001		-	0.63460	-	•	-				-	-	-	•	-		
(CS) 1.3842 +0.0016 639 - 644 1.3652 1.3815 1.3666 -2.1 1.3701 -1.7 1.3813 -1.2 61.1 Mar 94.7 (CS) 1.3842 +0.0016 639 - 644 1.3652 1.3815 1.3666 -2.1 1.3701 -1.7 1.3813 -1.2 61.1 Mar 94.7 (CS) 1.3841 +0.0029 757 - 787 1.3804 1.3757 1.3777 -1.4 1.3816 -1.5 1.4026 -1.6 79.6 (CS) 7.7367 +0.0055 382 - 382 7.7415 7.7388 7.7369 0.3 7.7364 0.1 7.7522 -0.2 -0.0068 750 - 850 31.4000 31.3750 31.46 -3.1 31.705 -4.1 -0.0029 757 - 787 1.3804 1.3757 1.3777 -1.4 1.3816 -1.5 1.4026 -1.6 79.6 (CS) 1.3820 +0.005 750 - 850 31.4000 31.3750 31.46 -3.1 31.705 -4.1 -0.0029 757 - 787 1.3804 1.3757 1.3777 -1.4 1.3816 -1.5 1.4026 -1.6 79.6 (CS) 1.3820 -0.009 540 - 580 2.9620 2.9527 (CS) 1.3820 -0.009 540 - 580 2.9620 2.9527 (CS) 1.4835 -0.009 540 - 580 2.9620 2.9527 (CS) 1.4835 -0.006 675 - 865 2.4700 2.4643 2.466 1.0 2.4636 0.7 2.458 0.4 -0.2 90.0 -0.00 -0.00 2.4680 1.4889 -2.8 1.4837 -2.8 1.513 -2.0 -0.006 (CS) 1.4838 -0.006 (CS) 1.3828 -0.003 923 -303 1.3865 1.3823 1.3839 1.3826 -0.003 923 -303 1.3865 1.3823 1.3839 1.3826 -0.003 923 -303 1.3865 1.3823 1.3839 4.5 1.3783 5.9 1.3526 2.9 -0.006 96.2 (CM) 780.050 -0.6 600 -700 761.200 760.200 -760.65 -4.7 767.15 -3.4 785.55 -3.3 -0.006 (CM) 780.050 -0.6 600 -700 761.200 760.200 -760.65 -4.7 767.15 -3.4 785.55 -3.3 -0.006 (CM) 780.050 -0.6 600 -700 761.200 760.200 -0.000 2.45800 -0.9 25.4698 -0.9 25.4																
(CS) 1.3842 +0.0016 639 - 644 1.3652 1.3815 1.3686 -2.1 1.3701 -1.7 1.3813 -1.2 61.1 Mar 94.77 mr Peoc) 5.8000 -0.085 800 - 200 5.8200 5.7800 5.8022 -0.5 5.8054 -0.4 5.6103 -0.2 - 89.1      Comparison   Comparison		(Pesol					1.0000		-	-		-		-		
## Paso   5.8000		(PS)	0.9166				0.9160	-	-	-	-	-	-	-		
(\$)   60   60   60   60   60   60   60   6		(CS)	1.3842	+0.0016	639 - 644	1.3652	1,3815	1.3666	-2.1	1.3701	-1.7	1.3813	-1.2	61.1	Mar	94.7
		Paso)	5.8000	-0.065	B00 - 200	5.8200	5,7800	5.8022	-05	5.8054	-0.4	5,6103	-0.2		S THRE	THOM B
(AS) 1.3761 +0.0029 757 - 787 1.3804 1.3757 1.3777 -1,4 1.3816 -1.5 1.4026 -1.6 79.6 5ep 88.8 fep 31.3800 +0.005 382 - 382 7.7415 7.7389 7.7389 0.3 7.7364 0.1 7.7522 -0.2 - 5ep 88.8 fep 31.3800 +0.005 750 -850 31.4000 31.3750 31.46 -3.1 31.705 -4.1		(5)			-		-				-	-	-	89.1		~
(#RS) 7.7387 +0.0085 382 - 382 7.7415 7.7388 7.7389 0.3 7.7364 0.1 7.7522 -0.2 - Dec 88.77 (8hk) 2.9685 -0.0089 540 590 2.9827 31.400 31.3750 31.46 -3.1 31.705 -4.1	ŧ.		Mica													
Fig. 31.3800						1.3804	1,3757	1,3777	-1,4		- 1.6	1.4026	-1,6	79.6		
Feb   31,3800   40,005 750 - 850   31,4000 31,3750   31,466 - 3,1   31,705 - 4.1   -		OHOS	7.7387	+0.0065	382 - 392	7.7415	7.7338	7,7369	0.3	7,7364	0.1	7,7522	-0.2			
(8h) 2.9665 -0.009 540 - 500 81,8200 83,1200 83,255 5.0 82,625 4.7 79,59 4.6 172.8 1 THREE MONTH (98) 2.4680 +0.0006 675 - 865 2.4700 2.4843 2.486 1.0 2.4636 0.7 2.488 0.4 - 0.0016 675 - 865 2.4700 2.4843 2.486 1.0 2.4636 0.7 2.488 0.4 - 0.0016 675 - 865 2.4700 2.4843 2.486 1.0 2.4636 0.7 2.488 0.4 - 0.0016 675 - 865 2.4700 2.4843 2.486 1.0 2.4636 0.7 2.488 0.4 - 0.0016 675 - 865 2.4700 2.8800 1.4889 - 2.8 1.4807 - 2.8 1.513 - 2.0 - 0.0016 1.0016		Par	31,3800	+0,005	750 - 850	31,4000	31,3750	31,46	-3.1	31,705	-4.1		-			
ASS   2.4880   +0.0006   675   585   2.4700   2.4843   2.486   1.0   2.4836   0.7   2.458   0.4   -		(Shk)	2,9565	-0.0089	540 - 580	2.9820	2.9527	-			-		-		Mear	88.6
(NZS) 1.4835		(1)	83,6060	-0.52	900 - 500	83,9200	83,1200	83,255	5.0	B2.625	4.7	79.59	4.6	172.6	A THRE	E MONT
(NZS) 1.4835 -0.0136 830 - 841		(A.CS)		+0.0006	675 - B85	2.4700	2.4643	2.466	1,0	2.4636	0.7	2,458	0.4			Δ
Cheeri		(NZS)	1.4835	-0.0135	830 - 841	1,4886	1.4830	1,4869	-2.B	1.4937	-2.B	1,513	-20			
(SS) 1.3928 -0.003 923 -833 1.3955 1.3923 1.3878 4.5 1.3793 5.9 1.3526 2.9 - Dec 96.22 (Pt 3.6156 -0.0053 135 -166 3.6135 3.6135 -6.0 3.6703 -6.1 3.8643 -6.6 . Bell 1.007 50.007 769.		Penci	26.0000		000 - 000				-		-				Jun	D6.4
[SS] 1.3928 -0.003 923 -833 1.3956 1.3923 1.3879 4.5 1.3793 5.9 1.3526 2.9 - Dec		(SFI)	3,7506		504 - 506	3.7508	3,7504	3.7515	-0,3	3.7536	-0.3	3.7856	-0.4			
(Won) 780.850 -0.0053 135 - 165 3.8165 3.8135 3.633 -6.0 3.6703 -6.1 3.8643 -6.6 . Mar 98.00 (Won) 780.850 -0.8 600 - 700 780.200 780.200 780.200 780.85 -4.7 767.15 - 3.4 785.65 -3.3 - 10.00 73 060 - 135 25.4125 25.3830 25.4298 -0.9 25.4698 -0.9 10.00 24.5700 -40.01 600 - 800 24.5850 24.5500 24.551 -1.0 24.8175 -0.6 24.705 -0.3 - 10.00 24.6600 24.5850 24.581 -1.0 24.8175 -0.6 24.705 -0.3 - 10.00 24.6600 24.5850 24.581 -1.0 24.8175 -0.6 24.705 -0.3 - 10.00 24.6850 24.5850 24.581 -1.0 24.8175 -0.6 24.705 -0.3 - 10.00 24.8180 2				-0.003	929 - 933						5.9			-	Dec	
(Word 760.850 -0.6 600 - 700 761.200 760.200 763.85 -4.7 767.15 -3.4 785.55 -3.3 - IN TRIPLES INDUSTRI (18) 25.4096 +0.0073 060 - 135 25.4125 25.3800 25.4296 -0.9 25.4636 -0.9			3.6150	-0.0053	135 - 165		3,6135				-6.1	3.8643			Mar	96.0
(15) 25.4096 +0.0073 060 - 135 25.4125 25.3830 25.4296 -0.9 25.4686 -0.9															IN THREE	E MONT
(Bf) 24.5700 +0.01 600 - 800 24.5850 24.5500 24.591 -1.0 24.6175 -0.6 24.705 -0.3 - S tor Acr 26 Bidfoffer spreads in the Dollar Spot table show only the last three decimal places. Forward nates are not placedly quoted to the 24.505																
\$ for Acy 26. Biolifolier spreads in the Dollar Sout table show only the jest three clocking places. Forward notes are not directly quoted to the Juni												24.705	-0.3			Oper
triplied by current tribunat ratios. UK, telenid 6 ECU are quoted in US currency, LP, Margain norring indices Apr 26 Been prepried 1960-100 SED 93.55														and to the	Jur	93.6
	m	phyd py	CUTTER THE	mit rates. Ut	4 teland & B	CU are quot	od in US a	שואירכץ, בף	Morow	n nomined in	dices A	26 Dame	average 1	DB0-100	Sep	93,50

#### US Doller CDs week ago SDR Linked Ds 4½ 51 476 54 **EURO CURRENCY INTEREST RATES** Apr 27 Three 7 daya notice motice ments months 4\frac{1}{2} - 4\frac{1}{2} 5\frac{1}{2} - 5\frac{1}{3} 5\frac{1}{2} - 5\frac{1}{3} 6\frac{1}{3} - 6\frac{1}{3} 6\frac{1 call for the US Doller and Yan, others: two days' notice. H **PIBOR FUTURIE**S (MATIF) Paris Interbank offered rate (FFr5m) Low Est vol Open int. -0.02 M MURODOLLAR (LIFFE)" \$1m points of 100% n Sett price Change High Low Est, vol -0.02 -0.04 93.60 93.60 -0.05 -0.07 93.33 EUROMARK PUTURES (LIFFE)" DM1m points of 100% Sett price Change COW Est. vol Open int. 95.05 94.78 -0.03 22712 118820 -0.02 I EUROLINA INTLIATE PUTURES (LIFFE) L1000m points of 100% LOW 80.05 88.87 88.90 88.77 98.89 10859 3630 33232 23229 14286 88.63 88.79 0.02 96.81 (LIFFE) SFrim points of 100% H EURO SWISS FRANC FUTURES Sett price Change High Low Est, voi Open int. 23370 10395 6765 1564 0.03 2481 nte of 100% I ECU PUTURES (LIFFE) Eculm p Sett price Change High Low Est, vol Open Int. 8572 4987 2595 1363 -0.02 -0.03 93.54 93.36 93.12

WORLD INTEREST RATES

rance week ago Germeny week ago Italy week ago Italy week ago Netherlands week ago Switzerland

week ago

week ago lepen week ago

Interbenk Fixing

\$ LIBOR FT London

#### (AS) 1.3761 +0.0029 757 - 767 1.3804 1.3757 1.3777 -1.4 1.3816 -1.5 (HCS) 7.7367 +0.0065 582 - 362 7.7415 7.7388 7.7368 0.3 7.7364 0.1 580 1.3800 +0.005 582 - 362 7.7415 7.7388 7.7388 0.3 7.7364 0.1 580 1.3800 +0.005 582 - 362 7.7415 7.7388 7.7388 0.3 7.7364 0.1 580 1.3800 1.3800 -0.52 900 - 500 80.8200 83.1200 83.260 83.260 80.260 80.260 80.260 83.260 83.260 80.2 +4,36 018 - 098 1231,03 1225,87 +0,1896 917 - 241 41,1241 40,9539 +0,1881 233 - 754 39,7754 39,6160 CROSS RATES AND DERIVATIVES **EXCHANGE CROSS RATES** BFr DKr FFr 515.0 434.7 25.72 259.0 227.1 13.43 259.3 252.5 14.05 105.9 86.38 5.286 238.2 201.0 11.89 8.506 7.230 0,428 94.61 78.86 4.725 235.1 196.4 11.74 100. 84.40 4.994 118.5 100. 5,916 200.3 168.0 10 128.4 108.4 6.414 235.5 198.6 11.75 108.6 89.96 5.324 145.4 122.7 7.262 179.9 148.8 8.984 1194.3 184.0 9.703 19.14 17.21 4.863 2.162 6012 2.541 2.826 1 2.249 0.861 0.893 2.220 0.944 1.1891 1.215 2.222 1.007 1.373 1.842 1.836 1.130 1.257 0.445 1 0.036 0.397 0.987 0.420 0.494 0.539 0.968 0.448 0.611 0.730 0.816 11.45 12.73 4.525 10.13 0.364 4.025 10 4.554 5.046 6.516 6.165 10.01 4.536 6.197 7.396 8.296 8.888 10 3.585 7.857 0.286 3.161 7.854 3.858 8.881 4.291 7.832 4.859 S.811 8.492 3141 3494 1296 2760 100. 1105 2744 1167 1383 2388 1488 2747 1245 1698 2030 2288 2.844 3.163 1.116 2.517 0.001 1 2.485 1.057 1.252 2.117 1.358 2.487 1.127 1.537 1.838 2.054 2,095 2,530 0,624 1,854 0,067 0,737 1,830 0,779 0,922 1,558 1 1,832 0,830 1,132 1,354 1.272 0.450 1.012 0.96 0.402 0.909 0.426 0.504 0.551 0.546 1 0.453 0.618 0.736 0.826 3.936 6.852 0.316 5.517 8.737 3.717 4.404 7.443 4.774 8.748 3.963 5.405 8.484 7.222 Change High 1.2097 1.2230 1.2540 Low 1,1998 1,2185 1,2330 Change High -0.0016 0.7830 -0.0020 0.7325 Est. vol Open int. Letesta 62,692 3,562 647 STEPLEG FUTURES (MAN) 282,500 per 9 E SWISS PRANC FUTURES (IMM) SFr 125,000 per SFr 1.6145 +0.0028 1.5168 1.6130 +0.0004 1.6130 1.6100 - 1.6100 EMS EUROPEAN CURRENCY UNIT RATES UK INTEREST RATES LONDON MONEY RATES 2.07407 38.0854 1.85147 13.0283 7.27382 196.109 185.197 2.15214 39.3950 1,91007 7.78 7.39 7.14 7.13 4.02 3.68 2.15 1.85 0.00 Over-night 712 - 512 574 - 554 Interteris, Seams, Sterling CDs Tressury Bile Bonk Bills Cocal authority deps. 6% 6% 6% 6% 5% Tressury Market deps. 7 - 5% 6 - 5% -1 -12 -16 -26 0.71 -4.31 -2.00 3.12 8.53 5.97 Carts of Tax dep. (£100,000) 3 5<sup>1</sup>4 5<sup>1</sup>6 6 6<sup>1</sup>4 Certs of Tax dep. under £100,000 is 2<sup>1</sup>29c. Deposits withdrawn for cash 1<sup>1</sup>1-pc. Ave. tender rate of discount 5.2610pc. EGGD fixed rate 540. Export Firminos. Make up day Apr 28, Ave. tender rate of discount 5.2610pc. EGGD fixed rate 540. Export Firminos. Make up day Apr 28, 1985 to Jun 25, 1985, Schemes II & III 7.99pc. Raterwoo rate for parted Apr 1, 1995 to Apr 26, 1995, Schemes IV & V 8, 733pc. Finance House Base Rate 7pc from Apr ■ THREE MONTH STERLING PUTURES (LIFFE) 2500,000 points of 190% PHILADELPHIA SE E/S OFTIONS E21,250 (cents per pound) Est. vol Open int. High Low 13591 11714 92.74 92.30 92.00 61.78 -0.01 -0.02 -0.08 -0.02 92.75 92.31 92.03 91.80 92.79 92.37 92.10 91.85 1.525 1.550 1.575 1.500 1.825 1.650 0.58 1.04 1.72 2.60 3.81 5.31 9.50 7.56 5.76 4.23 2.97 2.05 0.01 0.20 0.74 1.89 3.65 0.86 1.11 1.96 3.12 E SHORT STERLING OPTIONS (LIFFE) 1500,000 points of 100% Dec 0.96 1,04 1,28 THREE MONTH EUROPOLLAR (MA) \$1m points of 100% Latest Change - High 93,72 -0.01 93,73 93,59 -0.08 93,62 93,37 -0.05 93,42 Est, vol 93.72 93.58 83.38 85,987 93,936 83,789 93.73 US TREASURY BILL FUTURES (BAN) SIM per 100% BASE LENDING RATES ## Rodurghe Guarantee All Open interest lige, era for provious day B EUROBIANK OPTIONS (LEFE) DAI'm points of 100% Jun Jul 0.18 0.16 0.05 0.06 0.01 0.02 Sep 0.20 0.09 0.03 0.02 0.14 0.36 0.04 0.16 0.36 0.15 0.30 0.51 Est. vol. total. Cults 18041 Puts 7625. Provious day's open int., Calls 154166 Puts 251967 III IRURO SWISS FRANC OPTIONS (LEFTE) SF7 1m points of 100% 0.4E 0.54 0.84



TAX-FREE\* FUTURES ON INDIVIDUAL SHARES To obtaja poet irev Getide to kow ypar financial Bonkmaker oer help yma, cadi Mirbael Marxey or Ian Jeshkow on 0171-990 0011 or write to use LG lader, Pit, 1 Warwick, Ross, Landan SWIE SEE.

Talephone Devict Broy on (Landon) 071-702 6292 Fev. 674-555 428; **Pallarket-Eye** FREEPHONE 0800 321 321 FAX 0171 398 1001

WANT TO KNOW A SECRET? The LD.S. Gann Seminar will show you how the markets REALLY work. The amazing trading techniques of the legendary W.D. Gann can increase your profits and cootain your losses. How? That's the secret.

Book your FREE place. Phone 0171 588 5858.

24HR 🐔 0171-865 0800 SECT MAKAGEMENT CORPORACION PLO + 11 ala

TREND ANALYSIS LTD Daily Analysis & Trading Recommendations by Fax FOREX · METALS · BONDS · COMMODITIES For FREE TRIAL Phone 01962 879764
Fax 01424 774067

PHILLIP ALENANDER SECURITIES AND FUTURES LIMITED Vertes Hose, 125 Washing Pareness, London SCA 1PA

SCA LISE Tel: (44) 171 417 9720 Fax: (44) 171 417 9719

\$32 TURN



SOVEREIGN (FOREX) LIMITED 24 HOUR MARGIN TRADING FACILITY COMPETITIVE PRICES DAILY FAX SERVICE Tel: 0171 - 931 9188 Fax: 0171 - 931 7114

#### THE HEDGE FUND

SfCAV Luxembourg, 11, rue Aldringeo R.C. Luxembourg N° B 38653

Notice of Extraordinary General Meeting

Notice is bereby given that an Extraordinary General Meeting of Shareholders will be held at the registered office of the Company on 12 Mey 1995 at 11.00 a.m. with the following agenda:

#### Agenda

Decision to put the company into liquidation.
Appointment of Fio-Controle S.A., 11, rue Aldringeo,
L-1118 Luxembourg as liquidator.
Attribution to the liquidator of the largest possible powers

The shareholders are advised that a quorum of 50% is required for the items of the agenda and that the decisions will be taken at the majority of 2/3 of the shares present or represented at the Meeting. Each share is entitled to one vote. A shareholder may act at any Meeting by proxy.

By order of the Board of Directors

#### THE HEDGE FUND (\$) II

SiCAV Luxembourg, 11, rue Aldringen R.C. Luxembourg N° B 40 693

Notice of Extraordinary General Meeting

Notice is hereby given that an Extraordinary General Meeting of Shareholders will be held at the registered office of the Company on 12 May 1995 at 11.30 a.m. with the following agenda:

#### Agenda

Decision to put the company into liquidation.

Appointment of Fin-Contrôle S.A., 11, rue Aldringeo,
L-1118 Luxembourg as liquidator.

Attribution to the liquidator of the largest possible powers

The shareholders are advised that a quorum of 50% is re-

quired for the items of the agenda and that the decisions will be taken at the mejority of 2/3 of the chares present or represented at the Meeting. Each share is entitled to one vote. A shareholder may act at any Meeting hy proxy.

By order of the Board of Directors

SOCIETE GENERALE FRF 1,000,000,000 9,25 % BONDS DUE 1999 with coupon reinvestment option Common Coda: 3063054 Sicovam Code: 14480 According to the Terms and Conditions of the Bonds, use is hereby given that 1052 supplementary Bonds have been cracted upon exchange against Coupons on account of paymant of Interest.

New total nominal amount outstanding as of : 30/04/95 : FRF 1 360 900 000 The Principal Paying Agent SOCIETE GENERALE GROUP 15, Avenue Emile Reuter LUXEMBOURG

KNIGHT-RIDDER'S FUTURES MARKET DATAKIT FOR DALY \$895

| The content of the TO DIVERSIFIED INDUSTRALS

TO DIVERSIFIED INDUST THUSTS

OF THE PARTY OF THE PAR ENGINEERING, VEHICLES PIE ALTH GA

PIE 19.4

APTA Hashbare 10

American 21

Arborns 10

Actoorns 10

Bedde 10

Bedde 10

Cornello 10

Actoorns 10

Actoorns 10

Bedde 10

Actoorns 10

Bedde 10

Bedde 10

Actoorns 10 International Control of the Control 

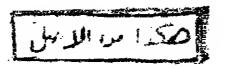
صكدا من الاعل

FINANCIAL TIMES FRIDAY APRIL 28 1995 ENV TRUSTS SPLIT CAPITAL The following impostment strate indicate for exclusion in the PT-6E Actuaries States indicate in the PT-6E Actuaries States in the PT-6

THE PROPERTY OF THE PARTY OF TH

Same Same will a to the transfer of

The state of the s



TAL TIMES CHIDAY APRIL.

as the Mark County County of the County Coun

September 1978	FINANCIAL TIMES FRIDAY APRIL 28 1995 *	29
(A)	• FT Cityline Unit Trust Prices are available over the felephone. Call the FT Cityline Help Desk on (+44 171) 873 4378 for more details.	
144	Credit Investment Francis - Credit Filter Francis - Credit Francis - Credi	Hollow Broken + or Vivel Price - Broke Browniel, Rockliff & Co Lint Browniel, Jordan Way 1809a. 4 — — —
	Second Column   1971	merrita (verte NAV SEPIS 34
	Cough Bearing Set (1965) 170 170 170 170 170 170 170 170 170 170	ica Raputiic Haldings tata Haputijik; Fures. o Jorge goe Çalitati Fund
	See the first of t	Copic processions to temporary Limited  Super pilo 31
	Company   Comp	Septial Fuel (1982) (19
	Designation in Information   Strategy   Stra	nder Investment Mont (Singapore) Ltd
	Company   Comp	foot dea
70	Sense from the Control of Control	ther Bermudo Fundo mach fo Lid Der 7.   99 49   -   -   -   -     -   Curt Fol Acc 31   157.89   -   -     -
	Control Seed From Seed Seed Seed Seed Seed Seed Seed See	The Market Age 21   21   25   11   25   25   25   25
	Consider from Description (Constitution Description Constitution Description (Constitution Description Constitution Constitution Description Constitution Constit	and Final (as 1 as 2
The second second	Crisis and P. Seria December 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	h laterunoval Inc.   \$150 4349    sper Secontifies (Bermanda) Ltd late   Lts NOV 1873   187347.56    stive Assets Management Umited Shares
	Control Control France   Cont	a 30 SB57.7620
	CLB SELECT Streets Printings. Street Printings.	# 10  # 10  # 11 23  # 1  # 10  # 11 24  # 10  # 11 25  #
	Part of the late   Part of the	to Special will be \$782.00
	Append September   Append Sept	AM 19.112-51 AM 97.154.51 AM 97
The same	Second	or value tout 1641   \$763.12
T. C. C.	temporal branch Franchista Special State Configuration Franchista Special State Configuration Franchista Special State Configuration State Special Spe	France Fritting France Fritting
	Street   S	S172.86 S172.8
-2-	Second	202.04   202.54   2
	October 1 20 20 20 20 20 20 20 20 20 20 20 20 20	
	Things   Free Matter   March	#FormSelection 37:69.50 702:4 ### 17:00 180:69 \$7:192.89 180:69 Frend
6 T		AND ATTEMPS COOL DESCRIPTION OF THE COOL O
IEVS SET	Call   Lord Interfered   Control   Call	of-Euro Pand Ltd  ant found stops (Searces) Ltd  21
W. EX. 200	### Call Date -Cant —	elland, Fynd 7 Apr 28 Ant 2008007 131004 wim USS84390.52 elland, Egrowth Stand, MW USS8-50 Apr 21 elland, Intil Frank I. Ed
521 Au HI	10 Parameter (Nat. 1979)   10 Parameter (Nat. 19	terpuntemed Ltd   538.00   -   -   -
	SEC MAPT Lineambourg SA State Annual Francis Control of San	Silection   ST   Sile
int co int		\$1.92 +0.00 \$5.92 +0.00 \$2.94 -0.00 \$22.90 -0.30
Aci lor	In Promoting   187700	7 - 510.46 7 - 54.51 54.51 513.90
KIN Ess Ko Nati	Transport Fig. 1   Fig. 25   Fig. 25	806 78 95.77
. Ile	A MANUSCA STATE OF THE STATE OF	d Blampan, Marijed and Egurine Pe (5 558,40) pr. ph. ph. Fried cooper for (5 501, ph. ph. ph. ph. Fried cooper for (5 501, ph. ph. ph. ph. British Hoodings Led 3 6 Global Hoodings Led 7 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Cor Sec	Street Office Invest (a)   September 1   Sep	ina Fuend on Lei tay 31.1 Sect 23.1
Gud AS AS AS	The Print Print Paris Control of the Print	tion Found 1.td
	Single for Delaward 9 - Strict for Delaward 9 - Stric	ac Investment Management Ltd Good Bot 14.   \$20.74   19.76   -0.07   Solon Bot 15.   \$20.76   10.76   -0.07   Solon Bot 15.   \$20.76   10.07   Solon Frod Solon Bot 15.   10.07   Print foo 20.   10.07   10.0
	The contract of the contract o	A Pand Manager (Mouraney) Lee Pair Nat 71   5 No.17           Sala Ground's Found  11
	Part	rgo U.S. 17 Fund 2 6 3m g
	other Particles 1 County - Control - County - Co	201 First - 20.01
	Vision   4	MANAGED FINES MOTES TO be ponce unlike otherwise indicated New Years the ponce unlike otherwise indicated New Years the ponce unlike otherwise indicated New Years f partials gidd's beautiment indeed plans, and part
Clean Clean Clean Clean Clean Clean Clean	Since the property of the prop	F parties gother reveniments believel planes analyses to pain the got mile of the regulatory authorities to most 268 incorporate. The regulatory authorities to furnish and incorporate Communication from - Francish Supervision Communication from - Francish Supervision Communication from - Louistic Michaelitate Laurentheappools. Internal Calaryte made and make of male.
Control		pricer - Officer or home prices. The class planted physicials the black grandcom's
	Cold	In the soft live facility sphedium point unions to your of the facility specialists. It you not give in this principalists.  On 1400 Name 1010 11400 Name 1011 11400 Name 1011 11400 Name 1011 11400 Name 1011
Case Burn Case Case Case Case Case Case Case Case	Prince   P	ie pientino internanti.  (inputati de a METTS Chabristèrea mit Calactiva nit la Translatoble Sociating?  (in Translatoble Sociating?  (in Methodolo Sociating)  (in Methodolo
Mark Class Class Case	1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -	and at intermedial streaming?  White the property price of the property price of the property price of the pr
Chara. Cloba Chara. Carac.	Allegation Profiles   10.04   40.07   - State   10.05   - State	

Seat the Trees.

#### LONDON STOCK EXCHANGE

MARKET REPORT

### Shares give ground in nervous trading session

By Terry Byland, UK Stock Market Editor

The belief that UK base rates are likely to rise very soon depressed a UK stock market yesterday lacking any lead from currencies or from Wall Street. An initial advance. which largely reflected first-quarter figures from ICL soon melted away and the close of the session saw share prices slipping in the wake of a weak bond market.

The final picture was uninspiring. with the FT-SE 100-sbare Index down 8.6 points at 3,217.6 and strate gists noting that the index had dropped through a support level around 3,230; the first readings of are not raised soon after next

the day put the Footsie above 3,241. Nervousness also spread from the New York markets, where the Dow Jones Industrial Average shed nearly 4 points in UK hours and Treasury bonds eased ahead of the US gross domestic product numbers for the first quarter of 1995, due today.

The stock market appears convinced that UK base rates will be raised by 1/2 percentage point, probably in the wake of the meeting between the chancellor of the exchequer and the governor of the Bank of England a week today. Mr Ian Harnett at Strauss Turn-

bull commented that if base rates

will think they should have been". A half-point rise in rates has probably been discounted by share prices.

In the meantime, next week's local elections are expected to deliver a further rebuff to the Conservative government headed by Mr

A number of trading programmes were put through the market. Dealers doubted whether a "buy" programme identified at tha close would enable the market to stand up today to the bearish tone clearly setting in both in London and New York.

Excellent first-quarter figures

market had second thoughts after the company met City analysts, and ICI shares finished the day on the downside.

An uncertain performance by the US dollar, as currency markets continued to assess the outcome of last weekend's meeting of the G7 ministers, left London's blue chin stocks to move within narrow limits.

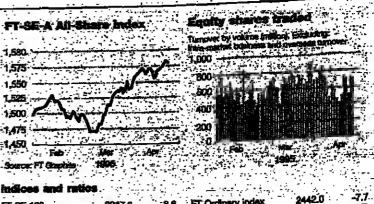
Non-Footsie stocks provided around 56 per cent of the day's total Seaq volume of 645m shares. On Wednesday, Sesq turnover of 673.3m shares was worth £1.57bn in retail worth to the London market. shadow over the outlook for the

The focus on the Footsie-listed

week's meeting, then "the stock from ICI helped both the market stocks left the FT-SE Mid 250 Index market will probably fall because it and the share price at first. But the to extend its gain by 8.6 to a new to extend its gain by 8.6 to a new 1995 closing peak of 3,526.2. How-ever, the FT-SE-A 350 Index slipped a couple of points to 1,598.4.

Market analysts are looking for a significant fall in the US firstquarter GDP figures today, confirming the slowdown in the economy and thus reinforcing hopes that US interest rates need not be raised

But bearish views on UK interest rates seem likely to prevail in the London market, at least for the near term, and the continuing uncertainty over the dollar casts a



FT-SE 100 1598.4 FT-SE-A 350

### **Yorkshire** TV bid seen

Yorkshire Tyne Television jumped 18 to 505p, making a two-day rise of 31p, as the market became con-vinced that a bid for the company is imminent.

Informed sources in the market believe that Granada, the leisure group which already has a 14.3 per cent stake in the company, has an offer ready and that it will be made as soon as the rules on medie ownership are relaxed. A government ruling on cross-media ownership is expected by the middle of May, Granada made hints that it would be interested in bidding for Yorkshire as loog ago as last summer.

Analysts busily calculating the viable level of an offer think that, as costs bave already been cut to the bone through Yorkshire's merger with Tyne Tees Television, much depends on the profits that can be gained from advertising. Granada would be able to sell air time that covered the whole of the corth of England.

However, at the current price, Yorkshire's shares are on an historic price/earnings ratio of 44.7, compared with a sector average of around 18 times earnings, and Granada might not be prepared to pay more. Consequently, analysis said it is more likely to go for an agreed merger and swap its stake in BSkyB with Pearson's sbareholding in Yorkshire. Granada dipped 7 to 569p.

while Pearson eased a penny to 572p after a recent strong run.

Reckitt busy

Household products group Reckitt & Colman rose sharply on higher than average turnover as speculation gathered pace that it will shortly sell its mustard division.

The company has been try-

ing to sell the historic Colman's mustard business since paid £1bn for L&F Household, e US cleaning products group. Dealers cited stories that a

management buyout was close to agreement or an external buyer had been found. Bass. the brewer, was being mentioned as the slightly surprising potential buyer.

Executives at Reckitt were tight-lipped yesterday. Their only comment was: "Discussions are continuing." Reckitt shares ended the day 12 higher at 634p, with 2.7m traded. Bass shares, benefiting from a broker recommendation, gained a

#### ICI surprise

First-quarter figures from ICI surprised even the most optimistic City analysts. The shares shot forward and then the market decided it was time to turn seller.

When the headline figure of £221m before exceptionals came in, it was some £40m and the shares jumped 26p.

But at the post-results meeting there were comments about a slowdown in chemical growth in some OECD countries. The shares ended 14

The Spanish Ministry of

Public Works,

Transportation and Environment

has awarded

The Second GSM Mobile Telephone Licence

ALIANZA INTERNACIONAL DE REDES TELEFONICAS, S.A.

("AIRTEL")

The undersigned advised British Telecommunications plc

in connection with its interest in Airtel

February 1995

British Aerospace continued to gain ground as the market latched on to the theory that the higher the shares go the more likely is the group to suc-ceed in any ensuing takeover

tussle for submarine maker VSRI. The shares added 4 at 538p to extend the notional value of its all-share bid for VSEL to 1793p per share, or almost \$4 more than the cash deal put up by rival bidder GEC. VSEL appre-

ciated 19 to 1694p. Heavy selling late in the day pushed airports group BAA to the bottom slot in the Footsle performance charts. The shares tumbled 16% to 465%p m 3.7m turnover, on what analysts mostly saw as technical pressure. Smith New Court was said to have been an

aggressive seller. A big two-way tug of sentiment sent British Steel racing to the top of the Footsle activity charts with 45m turnover. October 1992. Up 1% to 165%p, the shares

have outpeced the market as a whole by almost 3 per cent over the past month, thanks to a string of favourable firstquarter results from the industry and the way D-Mark strength has underprined steel prices in Europe.

Diversified industrial Cook-

son, which last year held merger discussions with Johnson Matthey, gained 3% at 231%p ahead of a forthcoming analysts' trip to the US. The group gets more than 60 per cent of its earnings from North America and is whisking analysts away on a four-day visit to its East Coast plants early next month.

News that there is to be an enquiry into the supply of domestic electrical goods to retailers brought a retreat for both Dixons and Kingfisher. The former fell 8 to 239p on

TO SAVE THE

RAINFOREST WE

PROVIDE TREES

TO CHOP DOWN,

By helping people

in the rautiones to plant trees, WW

for firewood, we help plant fast

मात्रह प्रकृष्णिकुर क व त्यारणकोरि orce of fuel. This is particularly

	Apr 27	Apr 26	Apr 25	Apr 24	Apr 21	Yr ago	High	Low
ordinary Share	2442.0	2449.7	2438.4	2434.5	2435.9	2504.2	2454.1	2238.3
ord, div. yield	4.33	4.32	4.34	4.34	4.35	3.97	4,78	4,91
VE ratio net	16.75	16.78	16.58	16.58	16.55	19.85	21.33	18.45
E ratio nil	16,55	16.58	16.50	18.49	16.47	20.76	22.21	15.77
For 1985. Ordinary T Ordinary Share				high 271	3.6 2/02/5	4; los 48.4	25/5/40	

This announcement appears as a matter of record only

Open 9.00 10.00 11.00 12.00 13.00 14.00 13.00 15.00 High Low 2461.7 2455.3 2446.1 2448.7 2447.9 2449.1 2448.1 2447.1 2442.6 2481.7 2441.6

	74.21	74 20	74.44	748 ZT	741 21	11 440
SEAO bargains	22,863	23,926	25,415	22,768	24,791	26,405
Equity turnover (Em)	t -	1574.7	1579.3	1199.7	1472,9	1771.3
Equity bargainer		35,651	37,438	32,117	38,854	31,454
Shares traded (m0)	-	710.4	739.5	526,1	719.8	663,5
tExcluding intra-market	business and ov	smithe fumo	MT.			

				O(THE
585	Total Highe	162	Total contracts	18,310
		66	Calls	10,783
1.673			Puts	8,527
	1,673	630 Total Lows	630 Total Lows 66	630 Total Lows 66 Calls

made today. Saatchi is forecast the shares' busiest day since trade of 6.8m and the latter to lose and the two principal shed 4 to 448p. Turnover in Christies Inter-

national, the auctioneers, jumped to 10m, its fourth highest daily total on record, after several agency crosses, totalling 5m. were transacted at 165p. The biggest was a block of 3.3m. The shares raced forward and closed 18 ahead at 166p, their highest level since. January this year. The identity of both the buyer and the seller of the stock, equivalent to a 3 per cent stake in the company, was undisclosed.

The composite insurance sector provided three of the FT-SE 100's 10 best performers, including the top individual stock GRE as the market became increasingly optimistic about the first-quarter results season which gets under way next month. GRE moved up 4%

to 193p. In life assurances, Legal & General dipped 6 to 469p ahead of today's expected OFT report into endowment mortgages.

S.G. Warburg, the merchant bank, staged a stroog late rally. Down to 738p in the morning, the stock sprinted ahead just before the close, ending unchanged at 750p. The raily came as speculation revived that a potential bidder is still looking hard at the bank. Ladbroke was among the

strongest performers in the FT-SE 100, the shares gaining 4 at 178p, on reports that James Capel had advised investors to buy the stock. Stakis hardened a penny to

85p, on volume of 2m, boosted by a positive review on the stock from Smith New Court Marketing services group WPP improved 2 to 110p on speculation that its J. Walter Thompson subsidiary is poised to win the prestigious British Airways account. The account, worth around £60m, is held by Saatchi & Saatchi, now called Cordiant, but is up for review

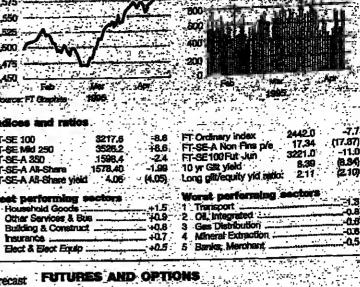
and an announcement could be

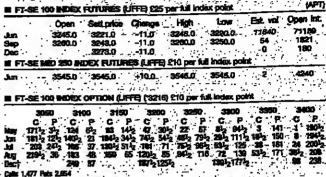
FT - SE Actuaries Share It

candidates are seen to be Mr Maurice Saatchi's new business and JWT. Cordiant shares

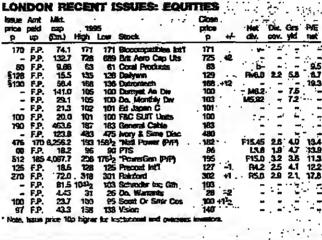
were flat at 930. Healthcare group AAH dipped 2 to 435p on turnover of 6.8m as Gehe, the German bid-der, increased its stake to 30 per cent. Threadneedle Asset Management, which has 5.5 per cent, sold 2 per cent, and one other institution offloaded some of its holding. Gebe is now waiting until 1.00pm on Tuesday to discover whether it has been able to persuade the two main shareholders, PDFM and Schroder, to sell out: Between them they hold 24 per

MARKET REPORTERS: Steve Thompson, Peter John, Joel Kibazo, Jeffrey Brown





TRADING VOLUME



	Apr. 25	% shq oo day	Apr 25	24	Year.	Gross ally yield %	52 was	
Gold Mines Index (34)	1946.72	-28	1957.84	1982.73	1843.73	. 2.13.	2237.90 .1	807,91
N Regional Indices								
Mintes (16)	2639.71	-1.2	273225	2747.33	2617.23	4.88	8711.87 2	365.5
Sustratesas (7)	2394,89	-0.9	2417.48	2423.10	2385.92	1.64	295L49 T	768.20
Muriti America (11)	1666.03	-2.7	1712.24	1700.13	1538.67	9.82	1911.21 1	348.10

FT GOLD	MINE.	<u>5 II</u>	113)					
	Apr. 26	% stop 00 day		24	Year.	Gross ally yield %	52 w 15gh	
old Stines Irales (34)	1946.72	-28	1957.84	1982,73	1843,73	· 2.13 .	2237.90	1837,91
Regional Indices						•		٠.
inca (16)	2699.71	-1.2	27225	2747.33	2617.23	4.88	8711.B7	2385.52
stratese (7)	2394,63	-09	2417.48	2423.10	2385.92	1.64	295L49	1768,20
eth America (11)	1666.03	-27	1712.24	1700.13	1538.67	9.82	1911.21	1348.18
opyright, The Finencial games in brackets show their prices were unas-	r humbar p	occup.	nes. Bes	al is US Do	Anra. Ban	6 Values: 10	000.00 31/	12/92

FT-SEA 350 Higher Yield FT-SE A 350 Lower Yield FT-SE SmallCap FT-SE SmallCap ex law Trusts FT-SEA ALL-SHARE FT-SE Actuaries All-SHARE	1612.2 1584.3 1764.73 1741.80 1578.40 Share Apr 27 2800.80	-0.1 +0.2 +0.2 -0.1		1580.6 1756.45 1732.81	1575.5 1749.87 1726.40	1942.90 1918.86	5,05 3,02 3,43 3,64 4,06	1.69 2.31 1.59 1.66 1.88	14.69 17.89 22.86 20.69 18.39	15.40 21.84	1056,66 1055,66 1397,0 1364,3 1273,8
FT-SE SmallCap FT-SE SmallCap ex Inv Trusts FT-SE-A ALL-SHARE	1764.73 1741.80 1578.40 Share Apr 27	+0.2 +0.2 -0.1 Day's	1781.26 1737.72	1756.45 1732.81	1749.87 1726.40	1942.90 1918.86	3.43	1.59 1.66	22.88 20.89	21.84 22.52	1397.D
FT-SE SmellCap ex law Trusts FT-SE-A ALL-SHARE	1741.80 1578.40 Share Apr 27	+0.2 -0.1 Day's	1737.72	1732.B1	1726.40	1918.86	3.64	1,66	20.69	22.52	1384.3
T-SE SmellCap ex liv Trusts T-SE-A ALL-SHARE	1741.80 1578.40 Share Apr 27	+0.2 -0.1 Day's	1737.72	1732.B1	1726.40	1918.86	3.64		20.69	22.52	
T-SE-A ALL-SHARE	1578.40 Share Apr 27	-0.1 Day's									
	Share Apr 27	Day's	1300.39	1013.40	13/1./3	100000	*****				
FT-SE Actuanes Ali-	Apr 27									-	
									4.00		
						Year	Div.	Net	P/E	Xd ext	Total
	2002 80	chgen	Apr 26	Apr 25	Apr 24	ago	yield%	COVE	radio .	ytd	Return
								4-	44.44		****
16 MENERAL EXTRACTION(24)			2817.06				3.68	1.75	19.46		1153.2
12 Extractive industries(7)	3681.96		3675.30				3.82	1.98		91.94	1042.B
15 Of, Integrated(3)	2602.08		2823.31				3.78	1.79			1179,1
18 Of Exploration & Prod(14)	2036.42	0.5	2048.27	2044.61	2026,78	2036,89	243_	0.43	BO,00†	31.57	1198.1
20 GEN INDUSTRIALS(279)	1883.50	٠,11	1580.92	1875 60	1969 86	2120 47	4.17	1.64	18 26	29.46	984.53
21 Building & Construction(38)	987,73		950.16					1.89			
							4.16		18.09		778.10
22 Building Matts & Merchs(31)	1739.92		1733.55				4.25	1.91		27.71	841.27
23 Chemicale(22)	2300.52		2295.88				4.10	1.38			1046.8
24 Diversified Industrials(15)	1830,05		1836.48				6.21	1.45			968.45
25 Bectronic & Bect Equip(37)	1964,72		1954.18				3.71	1.92		13.10	977.42
26 Engineering(72)	1857.83	+0.1	1855,45	1845.53	1835.98	1985.91	3.34	1,85	20.22	21.26	1083,8
27 Engineering, Vehicles(13)	2211.69	+0.3	2204.02	2199,41	2188.70	2470.36	4.14	0.38	79.42	47.72	1106.B
28 Paper, Policy & Printing(27)	2855.89		2861.47				3.35	2.31	16.18	37.94	1146.3
29 Texties & Apparel(21)	1563.59		1585.24				4.43	1.83		26.92	928.60
									_		
30 CONSUMER GOODS(94)	3047.78		3348.74				4.26	1.83	18.01	52.92	1078.7
31 Breweries(18)	2255.39		2263.66				4.18	209	14.67	12.19	1047.6
32 Spirits, Wines & Cidens(10)	2765.18		2768.39				4.20	1.83	16.27	54.52	954.03
33 Food Producers(24)	2433.14	-0.1	2435.65	2432.28	2417.28	2376.67	4,17	1.96	15.32	51.64	1057.8
34 Household Goods(10)	2478.99	+1.5	2441.48	2442.80	2438.99	2718,41	3.71	0.86		50.32	916.47
36 Health Care(18)	1712.44	-0.1	1713.58	1707.01	1704.29	1708.60	3.03	0.97	42.42	8.19	1005.0
37 Phyrmacouticais(12)	3802.52		3812.58				4.08	1.33		49,48	1236.8
38 Tobecco(Z)	4008.19	+0.4	3992.51	3964.83	3913.63	3871.56	5.86	1.63		131.29	948.68
40 SERVICES(229)	1958.27		1964.57				3.34	2.10	17.85		962.30
41 Distributors(32)	2440.72		2452.39				3.92	1.96	16.39	41.17	868.13
42 Latsure & Hotels(29)	2197.57	-0.2	2201.92	2190.47	2187.38	2252.09	3.50	1,58	22.57	35.29	1108.1
43 Media(43)	2888.86	+0.1	2886.43	2879.17	2884.11	3152.52	271	2.27	20.32	47.53	1023.3
44 Retailers, Food(15)	1916.42	-0.3	1921.65	1901.87	1890.65	1575.18	3.52	2.48	14.35		1167.2
45 Retailers, General(44)	1642.26	-0.4	1648.32	1629.14	1619.50	17 <b>81.</b> 40	3.36	2.12	17.80		900.0
48 Support Services(37)	1534.66	+0.1	1532.65	1531.38	1526.00	1679.16	2.79	2.46	18.18		948.59
48 Transport(21)	2191.23	-1.3	2218.51	2191 RO	2190 63	2542.55	3.92	1,89			877.08
51 Other Services & Business(7)	1228.05		1217.48				3.68	1.21	28.00		
										10.80	1075.8
60 UTILITIES(37)	2320.35		2826.10				4.66	1.93	13.60	6.85	914.23
62 Bectricity(17)	2223.86		2225.02				4.60	2,67	10.20	18.89	951.71
64 Gas Distribution(2)	1973.88		1986.55				6.07	0,65	31.56	0.00	927.11
66 Telecommunications(5)	2008.64	-0.2	2013,49	2012.06	2005.75	1996.79	4.07	1.89	18.22	0.13	871.96
88 Water(13)	1845,01	-0.3	1851.07	1845.59	1943.43	1717.30	5.43	273	8.48	4.62	940.79
SP NON-FENANCIAL SIGES	1704 97	-0.2	1707 20 -	1700.04	4000 pg -	748 64					
SO NON-FINANCIALS(653)	1704.87	1.2	1707.38	1143.54	1050.02	10.04	4.01	1.80	17.34	22.53	1234.6
70 FWANCIALS(117)	2267.57		2267.90	2268.87	2266.93	2198.13	4.67	2.33	11.49	56.44	929.21
71 Banks, Retail(9)	3084.21	-0.1	3038.26	3040.53	3047.46	2759.55	4.53	2.95		86.03	941.78
72 Banks, Merchant®	3176.68		3193.55				3.64	2.54		31.67	874.83
73 Insurance(26)	1268.96		1260.67				5.50				
	2494,41		2499.72					1.56	13.47		902.87
74 Uffe Assurance(6)							5.45	1,33	17.26		1000,8
77 Other Firemaial(22)	1982.75		1976.02				3.87	2.32	13.91		1084,3
79 Property(46)	1345,08	100)	1345,41	1349.82	1335.83 1	1640.11	4.47	1.17	23.91	12.77	787,80
80 BIVESTMENT TRUSTS(183)	2680.78	401	2678.34 2	2670 RF	2854 87 S	2957 02	2.38	1.03	E4 (94 )	20.50	
									51.01		91294
89 FT-95-A ALL-SHARESIS	1578,40	-0.1	1500.39	575,48	1571. <b>7</b> 8 1	<u>1583.5</u> 1	4.06	1.86	16.39	23.78	1273.80
	969.52		970.60	B70.87	000 20		211	4.40	_		
T-SE-A Fledging						-	3.11	. 1.12	25.81.		979,54
T-SE-A Fledgling ex Inv Trusta	963.86	-0.2	965.40	202.94	304.45	_	3.29	1.16	32.94	76 33	974.22



FINANCIAL TIMES Financial Publishing

FINANCE EAST EUROPE reports twice-monthly on investment, finance and banking in the emerging market economies of Central and Eastern Europe and the European republics of the former Soviet Union.

**CITIBAN(** 

As a subscriber to FINANCE EAST EUROPE you will be

Privatisation and restructuring of the region's state enterprises into efficient, market-driven businesses, and the part played by Western advisers. Investment in the region - by Western governments, the EBRD.

IMF and the World Bank, as well as commercial banks. New legislation and regulations affecting finance and investment in the area The development of domestic equities and debt markets in the

countries concerned. The development, often with Western participation, of a commercial banking sector.

To receive a FREE sample copy contact:
Catherine O'Keeffe, Financial Times Financial Publishing,
Maple House, 149 Touchham Court Road, London WIP 9LL, UK
Tel: +44 (0) 171 896 2284 Fax: +44 (0) 171 896 2274

-0.3 3225.2 \$214.9 \$209.3 \$125.9 +0.2 3517.5 3511.5 3497.8 \$797.4 +0.3 3525.5 3520.0 3507.3 3812.8 -0.2 1600.6 1595.6 1592.3 1591.7 FT-SE 100 FT-SE Mkl 250 FT-SE Mkl 250 FT-SE-A 350 15.32 51.60 1248.19 18.95 44.03 1345.59 17.66 46.02 1347.96 15.01 24.44 1268.74 4.24 3.57 3.81 4.11 1.92 1.90 1.98 1.90

■ Hourty movements 12.00 13.00 3216.6 3828.3 1588.0 3241.5 3216.2 3526.7 3522.1 1807.2 1597.8 FT-SE Actuaries 350 Industry baskets

12.00 13.00 10.00 11,00 9.00 951.8 953.6 953.6 3786.5 3786.4 3786.4 1838.5 1838.5 1839.4 9073.2 3082.1 3082.3 954.1 954.0 3781.1 5768.4 1839.4 1839.4 3060.6 3071.2 947.5 950.7 3788.8 3782.5 1838.0 1837.4 3770A

SALAR STATES TO THE APPLICATION APPLICATION OF THE PROPERTY OF

	PRIDAT APRIL 1	± 6451 €	WORLD STOCK I	MADVETS		31
ا ' د هي	-/- High Low Yid PVE +/- High Low YI FRANCE (Apr 27 / Frs. )		WORLD STOCK I	a PPE o/- Pigh Low Yid PPE	+7- High Law Yid P/E +/- High Law Yid P/E Salet. 626 +11 1,010 771 . Tubernik 3,65 +10 3,78 3,20 3,715.2 20200 Garabo	+1 - High Las 215 -5 280 37
	EURUPE	Auto-1	80 + 60 - 60 70 / 40 1 1 1 2 5cm 8 486 - 2 502 423 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	3 Griden	\$23	5 865 1911 5 865 1911 5 865 1911 5 865 1911 6 1911
	Adming 3,000 +50 4,180 3,660 1.9 Critical 294,50 +40 4888 337 4.6 Alming 7,720 7,180 +80 7,720 7,180 1.90 7,720 7,180 1.90 7,720 7,180 1.90 7,720 7,180 1.90 7,720 7,180 7,80 7,80 7,80 7,80 7,80 7,80 7,80 7,	Principal (1) 10 10 10 10 10 10 10 10 10 10 10 10 10	30 - 20 83.50 82.50 2.5 - Almer 615.60 - 25 750 500 7.2 - 25 70 67 6.7 - 36 75 75 12 12 12 12 12 12 12 12 12 12 12 12 12	Godes	1250   11   1010   771	Seen talle teleplante
IN THE WAY THE WAY	Microre	Fig. 5,780 +50 6,785 2,785 18 BABH 1,000	# 33 2881 2220 18 # 341 2881 2220 18 # 341 2881 2220 18 # 341 281 281 281 281 281 281 281 281 281 28	Notices 200 430 2,000 2,000 3,000 3,000 1,	2.316 1.85 0.5	15 + 4 6 6 1 7 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
- W - ','	Designation   April	Further   1,500   -151, 1610   1,200   1,505	Caron 1,393 +101,7701,323	261 MSQN 1877 +27 822 753 Toho 15, 1879 Toho 15, 18	## ## ## ## ## ## ## ## ## ## ## ## ##	1127743-12225-0 1144-6005-694-694-694-694-694-694-694-694-694-694
	Personal   Carlo   C	March   Marc	+1 333 300 21 D'mary 515 +5 737 431 +30 97 850 336 D'mary 429 +10 450 321 +18 478 377 1.8 Desire 94 +91,090 632 -12250 100 24 Desire 1,440 -201710 1,300 -50 46.76 33 0 Desire 1,440 -201710 1,300 -2 288 238 20 Desire 477 +8 715 411 +2 288 238 23 D'mary 479 479 +8 715 411 +4 285 238 23 D'mary 630 -3 736 505 1.1 -2 200 100 45 Desire 658 +91,390 100	Marie   1,000   1,00	1,570   1,770   1,770	THE SECRET PROPERTY OF THE PRO
Ģ	Walnut 96 41 95 75 10 48 257 -3 270 252 3.4	CosMOr 76.90a6 20 97 74.90 2.8 Stadyh 86	US INDICES 1995	MeBC 1,500 +201,600 1,304 Yemflog 6 Yemflog 6 Yemflog 7 Yemf	## 11.70 783 Prices   3.20 -05 1.00 1.02 1.7 AI-HUA  ## 16 2001 1.10 890 Shuff   5.18 -10 6.05 5.19  ## 16 2001 1.40 0.7 Shuff   5.18 -10 6.05 5.19  ## 17 10 6.05 6.0 Shuff   5.18 -10 6.05 6.0  ## 18 200 761 Shuff   5.20 761 6.05 6.0  ## 17 10 6.05 6.0 Shuff   6.20 +10 6.20 6.0  ## 17 10 6.05 6.0 Shuff   6.20 +10 6.20 6.0  ## 17 10 6.05 6.0 Shuff   6.20 +10 6.20 6.0  ## 17 10 6.05 6.0 Shuff   6.20 6.0 Shuff   6.20 6.0  ## 18 20 20 6.0 Shuff   6.20 6.0 Shuff   6.20 6.0 Shuff   6.20 6.0  ## 18 20 6.0 Shuff   6.20 6.0 .	- High Low Yid ME
	Argentime General (29/12/77) Australia Austral	Japan Topk (47/68) 1334.21 129.85 1338.20 1538.35 2nd Scotion (47/68) 1691.49 1697.55 1695.05 2133.86 2 1691.49 1697.55 1695.05 2133.86 2 1691.49 1697.55 1695.05 2133.86 2 1691.49 1697.55 1695.05 2133.86 2 1697.55 1695.05 2133.86 2 1697.55 1695.05 2133.86 2 1697.55 1697	## 1298.FF 24/3 ##01.55 24/3 ##	Strong   S	10	90 77 77 19 20 177 17 19 20 177 17 19 20 177 17 19 20 177 17 19 20 177 17 19 20 177 17 19 20 177 17 19 20 177 17 19 20 177 17 19 20 17 17 17 17 17 17 17 17 17 17 17 17 17
	Commercy	B Apr 1205.00 1210.50 +10.00 1213.00 120	Dow Jones Ind. Div. Yield 2.5  Apr	7 2.60 2.81 2.79 February 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	597 + .00 1.00 2.40 2.40 2.4	111 92 23 33 4550 1825 5.2 33 33 4550 1825 5.2 33 33 32 55 1.9 — 770 18.70 1.8 — 770 18.70 1.8 — 770 18.70 18.8 — 770 18.70 18.8 — 770 18.70 18.8 — 770 18.70 18.70 18.8 — 770 18.70 18.70 18.8 — 770 18.70
_	EDAX.  Jun 2027.0 2025.6 +1.0 2034.0 2016.0 11,785 122,21 Sep 2054.5 2047.0 2054.5 2036.0 84 2,72 Sep 2054.5 2047.0 2054.5 2036.0 84 2,72 Set Apr 22: Tehven Weighted Phoe 6967.63: Korea Comp 5x 891.84, Sace values of at k fining 500; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.30, CACAD, Sure To fining 500; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.30, CACAD, Sure To fining 600; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.30, CACAD, Sure To fining 500; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.00, CACAD, Sure To fining 600; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.00, CACAD, Sure To fining 600; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.00, CACAD, Sure To fining 600; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.00, CACAD, Sure To fining 600; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.00, CACAD, Sure To fining 600; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.00, CACAD, Sure To fining 700; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.00, CACAD, Sure To fining 700; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.00, CACAD, Sure To fining 700; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.00, CACAD, Sure To fining 700; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.00, CACAD, Sure To fining 700; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.00, CACAD, Sure To fining 700; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.00, CACAD, Sure To fining 700; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.00, CACAD, Sure To fining 700; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.00, CACAD, Sure To fining 700; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.00, CACAD, Sure To fining 700; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.00, CACAD, Sure To fining 700; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.00, CACAD, Sure To fining 700; Austria Tradica, 691.20, HEX Cen., MB Gan., 5972.00, CACAD, Sure To fining 700; Austria Tradica, 691.20, MB Gan., 5972.00, CACAD, Sure Tradica, MB Gan., 5972.00, CACAD, Sure Tradica, MB Gan., 5972.00, CACAD, Sur	9 Jun 2545.0 2533.0 +18.0 2545.0 25 ndices are 150 securit Australia AF Ordinary and p-100, 8250 Overall; Toronto Comp. Notation 6 The ID Incl. security and Bundlerd and Poor's - 10. \$5 2024.25 -4.27.	ATJ. 3,310 14,455 Sep 17000.0 19990.0 +56 \$5.0 - 1 1,0175 Open braces from the previous sep. Calculated at 16.00 GMT. — Excluding bonds. 2 trickeries, pice USO's Index theoretical days highe and loves are the everages of the highest the actual day's higher and loves (applied by Telefuns) represent the high (The figures in brackets are previous day's). • Subject to office in acid	Description  Desc	25 — 250 2 — 687788 Shields 77.5 — 1877 37	REPORTS SERVICE POST SPECIAL PROPERTY PARTY
	To subscribe to Asia/Pacific: + 81 3 3	the FI call Euro	pe: + 49 69 156 /Canada: + 1 212	752 4500  Mitsublshi G Tosch Kegel Tamure Ber Nippon Ster	Stocks Clearing Change Stocks Traded Prices on day 7raded 7.4m 917 427 Tokyo Gas 2.5m 7.2m 455 47 Tokyo Gas 2.5m	Closing Change on day 384 -1 566 860 -9 310 +7 485 49

0.25 8.9 fc 0.90 8.9 fc 2.03 8.9 0.74 6.5 1.06 7.2 0.57 6.3 1.06 7.2 1.06 7.2 1.06 7.2 0.57 6.3 1.06 7.2 0.57 6.3 1.06 7.2 0.57 6.3 1.06 7.2 0.57 6.3

Table

Ta

-14 -14 -16

時に あれるからいい

大大小の大小小小

China Carlo Andrews

13g -1g -1g

-14 -214 -14

444

海北北北北北北 山上

1

| Year | Year | Short | Short

のないない かんしゅう

· D ·

37% 91% 2514 304 27% 37

Cirgo Prás. Gana -1<sub>e</sub> Charles of the first of the | The color | The ### Law Stack
6012 535 8-00 A
255 23 3-00 Ms
255 4512 8-014 4.39
4252 37 3-00 Ms
254 16 3-00 Ms
255 244 3-00 Ms
255 244 3-00 Ms
255 244 3-00 Ms
256 21 154 3-00 Ms
257 154 3-00 Ms
2 - C -

TOTAL TOTAL CONTROL OF THE PARTY OF THE PART 5

1939 Sigh Low Stack 3844 351<sub>2</sub> C1986 91<sub>2</sub> 81<sub>3</sub> CV Reft 251<sub>2</sub> 141<sub>2</sub> Cycare 31<sub>3</sub> 321<sub>4</sub> 211<sub>2</sub> Cycare 291<sub>3</sub> 241<sub>4</sub> Cyperox 411<sub>4</sub> 211<sub>4</sub> Cycec

Came	C.96	6.5	5.2	141-2	
ADR	1.42	7.4	21	1036	135-4
1.00	2.8	2.3	31	4	135-4
1.00	2.8	2.3	21	23	23
1.00	2.8	2.3	21	21	23
1.00	2.8	2.3	21	21	23
1.00	2.8	2.3	21	21	23
1.00	2.8	2.3	21	21	23
1.00	2.8	2.3	21	21	23
1.00	2.8	2.3	2.3	23	
1.00	2.8	2.3	2.3		
1.00	2.8	2.3	2.3		
1.00	2.8	2.3	2.3		
1.00	2.8	2.5	2.5		
1.00	2.8	2.5	2.5		
1.00	2.8	2.5	2.5		
1.00	2.8	2.5	2.5		
1.00	2.8	2.5	2.5		
1.00	2.8	3.5	3.5		
2.00	2.8	3.5	3.5		
2.00	2.8	3.5			
1.00	2.8	3.5			
1.00	2.8	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00	3.5	3.5			
1.00 15 134 NSO Hears					
201<sub>9</sub> 162 N HARR
144 13 HEE Props
244 2 Hardson
35-1 24 Hardson
35-1 24 Hardson
35-1 25 Hardson
35-1 25 Hardson
35-1 27 Hardson
35-1 27 Hardson
114 57 House fine
120 14 Hardson
127 12 Hardson
128 144 Hardson
129 144 Hardson
120 127 Hardson 

+12 +12 .12 .10 .23 141.14

- J 
326 7.6 131 43<sup>1</sup>2 41 43<sup>1</sup>2
350 7.9 11 44<sup>1</sup>4 44 44<sup>1</sup>4
0.32 37 22 85 65 8<sup>1</sup>8 8<sup>1</sup>8
0.32 37 25 415 19<sup>1</sup>2 19<sup>1</sup>5 19<sup>1</sup>5
0.02 0.3 78 77 77 7<sup>1</sup>7 7<sup>1</sup>7 7<sup>1</sup>4 7<sup>1</sup>4
0.19 2.1 188 9<sup>1</sup>4 9 9<sup>1</sup>4
192 23 12 163 55 7<sup>1</sup>5 67<sup>1</sup>8 67<sup>1</sup>8
156 8.3 2100 185 95 95
1.80 2.9 13 283 55 63<sup>1</sup>4 53<sup>1</sup>5
1.16 1.8 19 287 286<sup>1</sup>2 63<sup>2</sup>5 53<sup>1</sup>5
1.16 1.8 19 287 286<sup>1</sup>2 63<sup>2</sup>5 53<sup>2</sup>5
1.16 2.8 4.5325 243 19<sup>2</sup>8 19<sup>1</sup>4 19<sup>1</sup>2

.l. +3 +1

海北山 年 北市 中 五山 五十十八十十十

435g 37 k J River PF 444g 395g J River I 103g 74g Jackpot En 204g 1774 Jacobs Eng 94g 74g Jacobs Eng 94g 74g Jacobs Eng 95g 515g Jeng 95 69 Jeng 95 69 Jeng 541g 455g Jeng 541g 355g Jeng 12 95g Johnston 214g 174g Josepp In

3114, 2419, RLM R Oteh
2619, 2014, RN Evriety
58, 513, Ranco, 45,
2419, 2019, Romeby PV
0 712, Ranch Sav
241, 212, Ranch Sav
241, 2219, Ranch Sav
241, 2219, Ranch Sav
241, 231, Ranch Sav
241, 313, Ranch Sav
341, 314, Ranch Sav
341, 315, Ranch Sav
341, 316, Ranch Sav
341, 316, Ranch Sav
341, 317, Ranch Sav
341, Ranch Sav
341,

يكتفاهيت تنطياه

中 不不不不不不不 本 经日本

120 933 8112 124 20 13 28 622 125 6.3 14 95 812 126 6.3 14 95 812 126 5.7 13 41 281 127 0.5 1088 821 127 0.5 1088 821 128 14 180 144 20 1482 302 128 62 14 180 144 20 1482 302 12 172 13 647 143 20 20 1 22 172 10 39160 29 25 10 39160 29 25 10 39160 29 25 10 23 828 302 10 23 828 302 10 23 828 302 10 23 828 302 10 3 3 428 302 10 3 3 428 302 10 3 3 428 302 10 10 23 182 302 10 10 23 182 302 10 10 23 182 302 10 10 23 182 302 10 10 23 182 302 10 10 23 182 302 10 10 23 182 302 10 11 12 23 302 10 18 21 580 685 10 11 123 182 10 23 24 28 302 10 23 182 302 10 11 123 182 10 11 123 182 10 12 12 28 302 10 13 11 123 10 13 184 10 13 184 10 13 184 10 13 184 10 13 184 10 13 184 10 13 184 10 13 184 10 13 184 10 13 184 10 13 184 11% 6% MA Com
64% 55% MEM let
16% 16% 55% MEM let
16% 16% MEM let
23% 53% MEM let
15% 15% MEM Com
15% 15% MEM Com
15% 15% MEM Com
16% 15% MEM LET
16% MEM 117: 147: 2008

314: 227: ESM COP

241: 277: ESM COP

241: 277: ESM COP

241: 274: ESM COP

251: 274: ESM COP

351: ESM COP

351 +30 +78 好好 我看了 是我的好好地 好不好你你我不好你有我们

1.44 2.5 2 1.50 3.6 1 1.68 0.6 0.32 1.3 0.24 0.9 0.60 1.6 70% 50% Prociti x
42% 34% Proper On 1
40% 30 Promis' st
40% 30 Promis' st
40% 30 Promis' st
40% 30 Promis' st
40% 42% Proff
50% 30% Prosp Stx
40% 42% Proff
50% 30% Prod st
50% 30% Proff
50% 50% From 

124, 164, 0 HM Crp 23
225, 225, 0 km Crp 13
225, 225, 0 km Crp 13
225, 225, 0 km Crp 10
227, 215, 0 km Crp 10
23, 215, 215, 0 km Crp 16
24, 215, 0 km Crp 16
215, 125, 0 km Crp 17
215, 125, 0 km Crp 18
215, 125, 0 km M Crp 18
215, 125, 0 km

184 35<sup>1</sup>2 13<sup>3</sup>8 21<sup>5</sup>2 19<sup>3</sup>4 13<sup>5</sup>8 36<sup>1</sup>4 8.89 -23 -8 -134: 35°s -0.40 3.0 191150 1913 1 -0.40 1.8 -8 357, 21 4 -0.50 2.0115 227 197; -0.18 -1.3 50 686 13°s -5 1448 38°s -5 1448 38°s

15% Admit Born
53 Ad Micha
53 Advest Gry
16½ Alvo Inc
63 A Agenn ADR
364 Agenn ADR
374 Agenn
18 Allmman
18 Allmman
18 Allmman
18 Allmman
19 Allmman
19 Allmman
19 Allmman
19 Allmman
19 Allmman
19 Allmman
20 All

3.5 10 14 73
64 12 594 183
4 81 77 1892 1183
4 18 12 1892 1183
4 9 20 88 416
40 014 1195 203
3 6 6
92 22 2018 634
27 4695 254
27 4695 254
28 13 11 165
20 13 11 165
31 16 7699 475
1.3 16 7699 475
1.4 14 74 147
26 2140 683 1712 Author Egy 0015 Author Egy 114 Autor 114 Autor 114 Autor 114 Autor 114 Autor 115 Autor 115 Autor 116 Autor 117 Autor 118 Autor 0.92 0.16 0.03 0.60 0.44 0.04 0.60 2.00 - B -

するされるようなな な

2.72 8.7 12 4262 2112
0.53 2.9 10 56 173
0.40 2.81330 279 1155
0.48 1.5 16 62 221
0.40 2.51335 224
0.40 1.5 16 62 221
0.60 1.5 21 233 1214
0.60 1.5 21 233 1214
1.52 6.4 12 363 2276
1.54 6.5 12 2039 234
1.55 6.4 12 363 2276
1.56 4.5 12 2039 234
1.57 10 98 284
1.58 3.2 8 51 114
1.00 3.7 8 5141 59
1.04 3.7 8 5141 59
1.05 3.8 12 23 25
1.15 3.8 12 23 25
1.15 3.8 12 23 25
1.15 3.8 12 23 25
1.15 3.8 12 23 25
1.15 3.8 12 23 25
1.15 23 25
1.15 23 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25 25
1.15 25
1.15 25 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 25
1.15 2 

24. 24. FAI Insur
144. 134. FT DURSTON
145. S4. FRANCH 13.
74. 84. FRANCH 13.
75. 84. FRANCH 13.
75. 64. FRANCH 13.
75. FRANC

55% 5012 GATX 3.875
474 405 GATX
514 475 GSTX
514 475 GSTX
514 475 GSTX
174 1116 GSC ind
347 3014 GSTE F 1.25
104 93 GSD IN
55 9312 GRIDE
354 30 GSD IN
55 9312 GRIDE
354 30 GSD IN
55 9312 GRIDE
354 30 GSD IN
55 9312 GRIDE
354 36 GST IN
149 1114 GRIDE
354 37 GST IN
149 1114 GRIDE
454 423 GST IN
155 GST IN
15

- G -

79 PCE 614 BCT ADR 13-15 Bater For 13-15 Bater

BE OUR GUEST.

Radisson 545

When you stry with us in **BRUSSELS**stay in touch - our complimentary copy of the

FINANCIAL TIMES

حكدًا من الاجل

The state of the s

KA PRIDAY APRIL 28 1993

	FINANCIAL TIMES FRIDAY APRIL 28 1995 *  April Choos April 27 NYSE COMPOSITE PRICES	NASDAQ NATIONAL MARKET 4 pm close April 27						
ř	Total Process	PV Sta Py						
	25 24 35 36 24 4 5 7 5 25 5 1627 27 7 25 7 25 7 7 25 7 7 25 7 7 25 7 7 25 7 7 25 7 7 25 7 7 25 7 7 25 7 7 25 7 7 25	2 According Dec. 25 285 17% 17% 17% 17% 17% 17% 17% 17% 17% 17%						
£	919 5749 Scorpe 0.40 0.5 20 1662 87% 574 575 - 5 57 614 575 1 5 5 5 6 5 6 5 6 5 6 5 6 5 6 5 6 5 6	Add Propris 6 77 4/2 419 45; +12 DMA Plant 225 2 455 2; d2's 23 +12 Advisible 10 070 1612 153; 1612 +14 Advisor 027 12 270 54 33; +12 Deter No. 086 16 6 111; d112; 1112 Advisor 027 12 270 54 33; 331; +14 Advisor 027 12 270 55 331; 331; +14 Deter No. 086 16 6 111; d112; 1112 Deter No. 086 16 6 111; d112; 1112 Deter No. 086 16 6 111; d112; 1112 Deter No. 086 16 6 111; d112; d114; +14 Advisor 072 31 35 135; d132; d134; +14 Advisor 072 31 35 135; d132; d134; d13						
	37% 25% Serger 0 60 23 12 436 27 3014 32 +136 7% 5% letter 0.06 0.9 14 316 634 612 612 -14 357 3034 3034 32 +136 32 1316 32 13	Description						
	29\( 29\( \) 28\( \) 28\( \) 29\( \) 29\( \) 28\( \) 29\( \) 2	Art Gold 0.06 59 496 1/2 119 1/2 +/2   Eagle Fo 1 552 212 219 214   LDIC 25 8552 214 275 214   LDIC 25 8552 214 275 214   LDIC 26 8597 324 315 324 +12   LDIC 27 8552 214 275 214   LDIC 27 8552 214   LDI						
	0 3 5 5 Signate App 0 4 8 6 8 .1 40 4 32 1 Trating 108 27 13 3379 347 35 4 35 7 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Am Trings 24 7654 (224) 4 224 235 + 24   Berham 1818179 2212 20 2014 - 12   Line 5 5 5 5551 225 1225 1225 1225 - 14   Berham 1818179 2212 20 2014 - 12   Line 5 1 5 555 1235 1225 1225 - 14   Berham 2 5 5 55 1245 - 14   Berham 2 5 5 5 13 455 1 2 14   Line 5 1 5 5 13 45 1 4   Line 5 1 5 13 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4						
المح	5% 4% Sauftices 0.06 1.3 12 82 43, 4% 4% 4% 4% 4% 4% 174 174 174 175 Sauftices 0.10 4.7 18 203 24 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	Ampen inc 3036111 73\(\frac{1}{2}\) 70\(\frac{1}{2}\) 75\(\frac{1}{2}\) 42\(\frac{1}{2}\) 8 core 80 \\ Ampen inc 3036111 73\(\frac{1}{2}\) 75\(\frac{1}{2}\) 75\(\frac{1}{2}\) 75\(\frac{1}{2}\) 6 core 80 \\ Ampen inc 3036111 73\(\frac{1}{2}\) 75\(\frac{1}{2}\) 75\(\frac{1}{2}\) 8 core 80 \\ Ampen inc 3036111 73\(\frac{1}{2}\) 75\(\frac{1}{2}\) 75\(\frac{1}{2}\) 8 core 80 \\ Ampen inc 3036111 73\(\frac{1}{2}\) 75\(\frac{1}{2}\) 75\(\frac{1}{2}\) 8 core 80 \\ Ampen inc 3036111 73\(\frac{1}{2}\) 75\(\frac{1}{2}\) 75\(\frac{1}{2}\) 8 core 80 \\ Ampen inc 3036111 73\(\frac{1}{2}\) 75\(\frac{1}{2}\) 75\(\frac{1}{2}\) 8 core 80 \\ Ampen inc 3036111 73\(\frac{1}{2}\) 75\(\frac{1}{2}\) 75\(\frac{1}{2}\) 8 core 80 \\ Ampen inc 3036111 73\(\frac{1}{2}\) 75\(\frac{1}{2}\) 75\(\frac{1}{2}\) 8 core 80 \\ Ampen inc 3036111 73\(\frac{1}{2}\) 75\(\frac{1}{2}\) 75\(\frac{1}{2}\) 75\(\frac{1}{2}\) 8 core 80 \\ Ampen inc 3036111 73\(\frac{1}{2}\) 75\(\frac{1}{2}\) 175\(\frac{1}{2}\) 75\(\frac{1}{2}\) 85\(\frac{1}{2}\) 85\(\frac{1}\) 85\(\frac{1}{2}\) 85\(						
	312 9 Security 18 244 2595 25 25 1 4 24 25 25 25 24 24 24 24 25 25 25 24 25 25 25 25 25 25 25 25 25 25 25 25 25	Appende to 0.22 18 4010 17% 17% 17% 14% 18 Exception 45 1391 74 634 634 Max Mail 0.60 13 7 13 13 13 13 14 15 Sequence 0.53 270 512 514 518 13 17% 18 18 13 18 13 13 13 14 14 14 14 15 18 18 13 18 18 18 18 18 18 18 18 18 18 18 18 18						
	104 154 SGAMT 1.20 7.1 17 484 17 165 17 -19 201 19 18 18 18 17 165 17 -19 201 19 18 18 18 17 165 17 -19 201 19 18 18 18 18 18 18 18 18 18 18 18 18 18	Armoral 1.52 18 174 2012 2314 3014 412 1812 1812 1813 218 174 2012 2314 3014 412 1814 2314 2314 2314 2314 2314 2314 2314 23						
	19 2 3 1 1 1 1 1 2 1 1 1 1 1 1 1 1 1 1 1 1	Authorie 15 159 314 314 314 14 Fat Secty 1.12 8 2622 214 214 214 214 214 214 214 214 214 2						
	84 8 Shurshadt 0 12 2.0 27 306 0 57 6 58 241 1.08 Fm 1.18 4.2 11 840 271 271 41 251 271 271 41 251 271 271 41 251 271 271 41 251 271 271 41 251 271 271 41 251 271 271 41 251 271 271 41 251 271 271 41 251 271 271 41 251 271 271 271 271 271 271 271 271 271 27	Baker J 0.66 7 735 13 12 13 13 13 12 14 16 136 61 8 8 19 19 18 18 18 18 18 18 18 18 18 18 18 18 18						
	134 114 Smile 12 386 1137 134 134 4-12 294 25 bell bx 0.00 1.8 986 254 254 254 13 23 134 134 134 12 294 25 bell bx 0.00 1.8 98 86 254 254 254 13 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	Busylet F 800 14 73 2614 273 575 4 February 11 11 17 307 3172 33 3172 44 Boykhek 3619326 3614 3674 3619326 3614 3614 3619326 3614 3614 3614 3619326 3614 3614 3614 3614 3614 3614 3614 361						
	33\[ 4 77\[ 5 \) 37\[ 5 \) 37\[ 5 \) 37\[ 5 \) 37\[ 5 \]	Berdey-Wit 0.48 25 59 37 3672 37 44 B-May 7 912 15 41 u1412 13 13½ +12 B-May 8 0.16 1418510 1474 1414 1412 B-May 9 0.26 17 794 1574 1474 145 B-May 9 0.27 17 17 17 17 17 17 17 17 17 17 17 17 17						
	55 \$442 Sunstaint   1.29 1.22 50 595 50 50 50 50 50 50 50 50 50 50 50 50 50	Black Org   108 14   2 35 <sup>1</sup> 4 34 <sup>1</sup> 2 35 <sup>1</sup> 4 34 <sup>1</sup> 2 35 <sup>1</sup> 4 34 <sup>1</sup> 5   Gardel Bs   4 49 31 2 72 72 18     Black Sortow   22 4896 617 2 5812 5014 + 212     Bodden S   135 9 4774 20312 294 3014 + 41						
•	33 2 4 3 5 years from 0.20 2.3 14 2 7 7 7 18 14 5 15 15 15 15 15 15 15 15 15 15 15 15 1	Boston Tc 29 2128 147g 14 141g + g Genzyme 3423 B4 437g 427g 437g 41 441g + g Genzyme 3423 B4 437g 427g 437g 41 60000 B7 2 163 53 53 53 +1 60000 B7 0.40 5 182 101g 101g 177g 18 - 7g 18000 B7 0.24 12 711 131g 131g 131g - 7g 1800 B7 0.24 12 711 131g 131g 131g 131g - 7g 1800 B7 0.25 1878 B7 0.25 18 633 417g 14 12 12 12 12 12 12 12 12 12 12 12 12 12						
	514 419 1097 Enter 0.20 40 22 223 5 470 5 1419 179 1890 1890 1890 1890 1890 1890 1890 189	Publicary   13 229 117g 111g 117g   Statistics   31 312 414 37g 41g -14g   Statistics   32 314 214 37g 41g -14g   Statistics   33 314 214 117g   Statistics   32 314 214 117g   Statistics   33 514 214 117g   Statistics   34 514 117g   Statisti						
	AMEX COMPOSITE PRICES 4 pm cross April 27	CTec: 123 2826 27 201 <sub>2</sub> 21 Cabot Med 32 2244 75 876 773 -16 Cadruscom0.20 21 301 1672 18 1834 Cadruscom0.20 27 301 18 18 1834 Cadruscom0.20 27 301 18 18 1834 Cadruscom0.20 27 301 18 18 18 18 18 18 18 18 18 18 18 18 18						
	Stock Dis. S 200s High Law Class Claug  Adv Magn 131 24 183 1814 183 1814 183 183 1814 183 183 1814 183 183 1814 183 183 1814 183 183 1814 183 183 183 183 183 183 183 183 183 183	Candetal. 8 835 2/2 2/2 2/2 2/2 2/2 2/2 2/2 2/2 2/2 2/						
	Associach 23 74 3½ 2½ 3½ 3½ 3½ 3½ 3½ 3½ 3½ 3½ 3½ 3½ 3½ 3½ 3½	Cettors 5 339 54 54 54 54 14 13 13 14 14 13 14 14 13 14 14 14 14 14 14 14 14 14 14 14 14 14						
	Birth Ocean 0.60 1 2 213 713 212 414 713 213 414 1419 1414 414 1419 1414 414 1419 1414 414	Chemisto   18   18   15   14 \ 14 \ 14 \ 14 \ 18   -95     Chemponeer   28   24   31 \ 31 \ 31 \ 31 \   Chemponeer   28   24   31 \ 31 \ 31 \ 31 \   Chemponeer   28   24   31 \ 31 \ 31 \ 31 \   Chemponeer   28   24   31 \ 31 \ 31 \   Chemponeer   28   24   31 \ 31 \ 31 \   Chemponeer   28   24   31 \ 31 \ 31 \   Chemponeer   28   24   31 \ 31 \ 31 \   Chemponeer   28   24   31 \ 31 \ 31 \   Chemponeer   28   24   31 \ 31 \ 31 \   Chemponeer   28   24   31 \ 31 \ 31 \   Chemponeer   28   24   31 \ 31 \ 31 \   Chemponeer   28   24   31 \ 31 \ 31 \   Chemponeer   38   27 \ 31 \ 31 \   Chemponeer   38   27 \ 31 \ 31 \   Chemponeer   38   31 \ 31 \   Chemponeer   38   31 \ 31 \ 31 \   Chemponeer   38   31 \ 31 \   Chemponeer   38   31 \ 31 \ 31 \ 31 \   Chemponeer   38   31 \ 31 \ 31 \ 31 \   Chemponeer   38   31 \ 31 \ 31 \ 31 \ 31 \ 31 \ 31 \ 31						
	Rowner   0.36   10   162   16   154   18   -44	UST Teeth 28 273 2½ 2½ 2½ 2½ 2½ 1½ 25 24 3½ 25 25 214 3½ 25 25 214 3½ 25 25 214 3½ 25 25 214 3½ 25 25 214 3½ 25 25 214 3½ 25 25 214 3½ 25 25 214 3½ 25 25 214 3½ 25 25 214 3½ 25 25 214 3½ 25 25 214 3½ 25 25 214 3½ 25 25 214 3½ 25 214 3½ 25 25 214 3½ 25 214 3½ 25 25 214 3½ 25 214 3½ 25 25 214 3½ 25 25 214 3½ 25 25 214 3½ 25 25 214 3½ 25 25 25 214 3½ 25 25 214 3½ 25 25 25 214 3½ 25 25 25 214 3½ 25 25 25 214 3½ 25 25 25 214 3½ 25 25 25 25 25 25 25 25 25 25 25 25 25						
	Cam Marc. 0.14 13 6 8 57 d856 8 5 15 15 15 15 15 15 15 15 15 15 15 15 1	CodeStarm 15 39 8½ 0% 0½ 1½ 1½ 11 12½ 11½ 11½ 11½ 11½ 11½ 11½ 1						
		ConstA 0.09 47 3399 15¼ 14½ 15¼ +1½ higher/let 8 65 2¼ 1½ 2¼ +¼ ConstASO 0.09 47 3399 15¼ 14½ 15½ +¾ likel 0.24 1755588/103½ 99 49701 12 +1½ Prefer 1.00 8 3507 45½ 47½ 47½ +½ Prefer 1.00 8 3507 45½ 47½ 47½ +½ Prefer 1.00 163 11 05 10 97% 10 +½ Prefer 1.00 163 11 05 10 97% 10 +½ Prefer 1.00 163 11 05 10 97% 10 +½ Prefer 1.00 163 11 05 10 97% 10 +½ Prefer 1.00 163 11 05 10 97% 10 +½ Prefer 1.00 163 11 05 10 97% 10 +½ Prefer 1.00 163 11 05 10 97% 10 +½ Prefer 1.00 163 11 05 10 10 10 10 10 10 10 10 10 10 10 10 10						
	Have your FT hand delivered in Portugal.	Therefore 125 13 25\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\						
	Gain the edge over your competitors by having the Financial Times delivered to your home or office every working day.  Hand delivery services are available for all subscribers in the business centres of Lisbon, Oponto, the Algerve and in Funchal, Please Call (01) 80 82 84 for more information.	Creation 3 1175 45a 43a 43a 43a 43a 43a 43a 43a 43a 43a 43						
	Financial Times. World Business Newspaper.	DetaSwitch 14 59 3.6 32 32 3.6 3.8 3.9 3.7 3.8 3.8 3.8 3.8 3.8 3.8 3.8 3.8 3.8 3.8						
		Deichamps 0.44 18 302 20 <sup>1</sup> 2 19 <sup>1</sup> 4 20 Justin 0.18 8 328 11 <sup>1</sup> 8 10 <sup>7</sup> 8 11 <sup>1</sup> 1 + 1 <sup>2</sup> Prod Ops 0.24 23 2018 u28 <sup>1</sup> 4 27 <sup>1</sup> 2 28 <sup>1</sup> 8 +1 Zorralitati 1.20 9 145 u42 <sup>1</sup> 2 42 <sup>1</sup> 4 42 <sup>1</sup> 4						

### Nasdaq leads again as Dow holds ground

#### **Wall Street**

Strength in technology and biotechnology issues helped the Nasdaq composite surge to another record high by early afternoon; but other indices were mixed, writes Lisa Bransten in New York.

In early trading the Nasdaq composite had climbed 5.14 to 842.05 to break its previous record set on Wednesday, At 1 pm the Dow Jones Industrial Average was 0.69 higher at 4,300.52 while the Stan-dard & Poor's 500 gained 0.01 at 512.67. The American Stock Exchange composite was ahead 1.24 at 475.10.

Trading volume on the New York Stock Exchange came to 212m shares, and advancing

issues led declines by a ratio of about 10-to-nine. Although a number of com-

#### **NYSE** volume



13 17 18 19 20 21 24 25 26 27

panies reported stronger than expected first-quarter earnings, weakness on the bond and currency markets beld indices back from the strong advances they had made in recent days. In the early afternoon the

long bond was off nearly an eighth of a point from its level on Wednesday and the dollar was lower against the Japanese yen, although it was slightly higher against the D-Mark.

The Nasdaq composite was the only major index to sbake off weakness in other financial markets and to rise, mostly on the basis of strong quarterly results and continued demand for technology stocks.

The Pacific Stock Exchange technology index was up 0.5 per ceot in early trading, with Cirrus Logic up by more than per cent. or 88% at \$49%. after reporting fourth quarter earnings of 59 cents per share against 48 cents for the same

period of the previous year. Strong earnings also helped several Nasdaq biotechnology shares: Genzyme climbed \$31/4

at \$41% and Amgen gained \$2 On the New York Stock

earnings of 30 cents per share versus analysts' expectations of closer to 32 cents a share. Sara Lee also lost ground because of weak earnings, relinquishing \$% at \$27% after it revealed third-quarter earnings of 32 cents a share, 2 cents a share less than the mean forecast. Steel companies bounced

exchange Alex Brown jumped

\$2% to \$41 amid renewed

rumours that a takeover might

be launched for the investment

Strong earnings helped to

boost shares in Delta Air

Lines, up \$1% at \$63%, but

stronger-than-expected results

did not help Xerox, which

dropped \$4 at \$121%. On

Wednesday, Xerox jumped \$6%

as investors anticipated strong

earnings for the company and

reacted to news that it had

entered an alliance with an

Israeli company to develop dig-

\$34 after reporting weaker than

expected third-quarter results.

The food company announced

Quaker Oats declined \$% to

ital colour printers.

back after Wednesday's losses: Nucor recovered nearly all of the \$4 it lost, rising \$3% at \$48%, while USX-US Steel Group gained 3% at \$30% and Bethlehem Steel 5% at \$14%. American Depository Receipts of Mexican companies

lost ground as investors took profits. Telmex lost \$% at \$30%, Televisa fell \$% at \$20%, and Empresas ICA dropped \$% at

Toronto was weak at midday, as investors worried about the possibility of a correction on Wall Street. The TSE-300 composite index was 5.60 lower by noon at 4,277.32 in volume of 28.8m shares. Declines led advancing issues by 273 to 255, with 327 stocks unchanged.

Among actively traded issues, BCE dropped C\$1 to C\$42'4 after reporting a 38 per ceot fall in first-quarter profits. Bank stocks were weak, reflecting worries about the bankruptcy of Bramalea, the real estate company, and the future of Unitel, the telecommunications group which pioneered long-distance competition in Canada against the local telephone monopolies. All of the big five banks posted

Methanex rose C\$14 to C\$1414 after reporting a sharp Increase in first quarter

Hummingbird Communications gained C\$% at C\$31% after Wednesday's news that it would supply software to Bell-

# Latin America's markets

early gains by mid-morning as profits were taken. The IPC index was off 17.18 at 1,989.83 by late morning. Volume was light at 16.5m shares.

Telmex, which reported a

Wednesday's 3.4 per cent rise with one of 1 per cent by midsession. However, many investors were absent as they awaitad a meeting of the National Monetary Council at

NATIONAL AND REGIONAL MARKETS

FT-ACTUARIES WORLD INDICES

Copyright. The Financial Times Limited, Goldman, Sects and Co. and Natifiliast Securities Limited. 1987.

# Enthusiasm for Siemens wanes on DM warning

Company results moved share and the AEX index moved prices in northern Europe. ahead 1.75 to 415.54. while politics and speculation lifted the south, writes Our Markets Staff.

FRANKFURT faced the consequences of D-Mark appreciation on two, or arguably three, of its market leaders as the This-indicated Dax index closed 4.27 lower at 2,024.25 after hours, turnover easing from DM8.1bn to DM7.3bn.

Enthusiasm for Siemens waned, the electronics and engineering combine falling DM18.20 to DM679 after a 7 per cent increase in first-half net profits, and the warning that the strong D-Mark had endangered its forecast of a 20 per cent profits increase for the vear to September. Another big axporter, Sche-

ring, fell DM45 or 4.2 per cent to DM1,035. Talk here was that analysts' downward earnings adjustments, reflecting the cost of the D-Mark/dollar relation-ship, would weaken support for the pharmaceuticals group. Second liners included a big

winner in Kampa-Haus, the prefabricated hoosing company, which boosted its dividend, announced a scrip issue, and rose DM37 or 5.1 per cent AMSTERDAM was com-

forted by its corporate news

Akzo Nobel reported a sharp rise in first-quarter net profits and galloped to a session's high of Fl 186 before subsiding to end 30 cents up at Fl 183. DSM, the other leading Dutch chemical group, rose 70 cents to Fl 131.10.

Philips rose another F12.10 at F158.80 in volume of 7.5m shares on further consideration of Wednesday's strong first quarter results, attracting a number of brokers' upgrades. However, worrias remained over the effect that currency turbulence and, in particular, tha weakness of tha dollar would have on the second half. Borsunij, the trading group,

added 30 cents to F1 28.70. Nutricia, the manufacturer of baby foods, softened 10 cents to Fl 94.90 on unconfirmed reports that it might face prosecution following the contamination of some of its products in November 1993. Haineken added Fl 7 to Fl 273.50 ahead of today's divi-

released figures at the top end of expectations, and the shares

PARIS edged lower for the second consecutive session, investors locking in profits just in case the socialist party candidate in the presidential elec-

FT-SE Actuaries Share indices Hourly changes

THE EUROPEAN SERIES Open 10.30 11.00 12.00 13.00 14.00 15.00 Cione FT-SE Eurotrack 100 1385.86 1306.59 1307.43 1306.76 1310.45 1306.67 1306.46 1307.41 FT-SE Eurotrack 200 1389.61 1400.94 1400.75 1403.12 1403.94 1403.74 1401.69 1401.61 Acr 25 1304.32 1401.45 1295,65 1251.08 1384,74

Bases 1000 (28/1090); Highiday: 100 - 1310.79; 200 - 1405.00 Loveldoy: 100 - 1394.05 200 - 1395.25 † Padal

tion, Mr Lionel Jospin, surprised the pollsters by snatching victory in next month's second round. The CAC-40 wave of optimism over the index fell 11.36 to 1,930.96 in healthy turnover of FFr4.3bn. prospects for an agreement Roussel Uciaf fell sharply, off FFr22 or 3 per cent to FFr707, as its first quarter figures disappointed, largely due to its

exposure to Latin America, Mexico in particular, and the US dollar. The Goldman Sachs drugs team ramarked that while it had yet not changed its eps estimates, currently at FFr53.00 for 1995 and FFr61.50 for 1996, there could well be scope to reduce the forecasts by between 2 to 3 per cent.

Rhône-Poulenc, up FFr2.20 at FFr119.70, more than satisfied analysts as the chemicals group produced very strong three month figures. Mr Peter Houghton, chemicals analyst at J.P. Morgan, said that he would be maintaining his buy of L35 to L650 in response to

recommendation, and noted that the agro and fibre divisions had both done well. MILAN continued to ride a

soon on pension reform batween the government, unions and employers and the Comit index picked up 10.46; or 1.7 per cent to 636.65. Insurers were among the day's best performers. Ins rose L63 to L2,280 and Ras was L418 ahead at L17,372, with dealers noting further foreign enthusiasm for the sector which is

introduction of personal pen-Benetton jumped L503 to L16,506 after winning a German court's backing in a dis-pute with a client retailer. The Orlando group's SMI added to Wednesday's 9 per cent plunge with a further fall

expected to profit from the

ing group's plans for a financial reorganisation to ease debt ... and streamline the structure of ZURICH finished easier after a subdued day's trade with

the copper alloy manufactur-

losses among bank shares leading the market down. The SMI index eased 7.4 to 2,567.0. CS Holding bearers lost SF19

to SF1479 as investors awaited news of its dividend proposal, which came after the market closed, and SBC bearers fell-SF18 to SF1371. Roche certificates, sharply

higher in recent days, finished SFr5 ahead at SFr6,850 with its 15 per cent rise in 1994 profits coming at the mid-point of Holderbank bearers jumped

SFr17 to SFr905, still benefiting from positive analysts' comments after the 1994 results earlier in the week.

MADRID talked technicali-

ties, saying that the market was moving up through resistance levels, and attracting speculation in the process. The general index rosa 4.13 to 282.47, with Argentaria Ptallo higher at Pta8,960 on a modest rise in dividend.

BRUSSELS was again dominated by trading in Union Minière which continued its advance in response to rising

Metal Exchanga. The Bel-20 index added 2.99 to 1,419.96 as Union Minière added to Wednesday's BFr50 advance with one of BF170 to BF12,180

tinese of

ression

IN DEALER BY

been ruly ton franchis

oustomet 1

Tha steel sector was also encouraged by optimism about the outlook for a firmer dollar. Arbed rose BFr110 to BFr4,270. ISTANBUL hit the downgrade again, the composite index dropping 3,520.49, or 6.9 per cent to 47,706.38 following a 9.1 per cent drop on Monday and a subsequent two day recovery of 3.1 per cent. Brokers again blamed profit-taking

following a prolonged bull run since the end of January. TEL AVIV's Mishtanim index closed higher for the sixth consecutive session, rising 2.14, or 1.3 per cent to 72.56 as turnover rose from Shk82m to Shk107. Once again, selective foreign buying was given the credit for the day's

WARSAW staged a 3.6 per cent rebound, the Wig index recovering 305.6 to 8,917.2 after Wednesday's 7 per cent drop, and following official announcements that interest rates could go down in May.

Written and edited by William

### Firm Nikkei sees profit-taking as Taipei jumps 2.9%

#### Tokyo

Although the yen's drop against the dollar helped share prices rise in early trading, equities closed with only marginal gains due to late profittaking and technical selling. writes Emiko Terazono in

The Nikkei 225 average was 57.50 up at 16,883.99 after moving within a narrow range of 16,808.56 to 16,989.48. Futures rose on the yen's decline to the Y83 level, prompting arbitrage buying. Individual investors were purchasing in small lots. However, stock prices lost some ground in the afternoon oo computer linked selling and profit-taking by institutional

Volume totalled 220m shares, against 201m. Most investors were inactive ahead of the Golden Week string of holidays. Although Tokyo financial markets are open on Monday and Tuesday, many companies, especially manufacturers, are scheduled to close

The Topix index of all first section stocks put on 4.36 at 1,334.21 and the Nikkel 300 was 1.00 firmer at 247.24. Gainers led losers by 517 to 453, with 191 issues unchanged. In London the ISE/Nikkei 50 index added 1.71 at 1,102.50.

Analysts said some overseas investors were starting to focus on Japan, due to Improving valuations. While the price/ earnings ratios of Japanese shares remain high relative to other markets, the steep fall in Japanese bond yields bas enhanced the attractions of Tokyo equitles. "Soma Epropean investors quite like Japan compared to the US, but the huying will not be as large as last year," said Mr Neil Rogers,

The rise in crude oil prices lifted oil refiners. The sector advanced by 1.6 per cent on buying by individuals and dealers. Mitsubishi Oil, developing oil fields off the coast of Vietnam, was the most active issue of the day, strengthening Y27 to Y917. Cosmo Oil moved up Y3 to Y609 and Showa Shell

Hyogo Bank, a financially troubled regional bank based Kong, stepped up selling on coocern over possible capital in western Japan, tumbled Y23 controls to cap inflation and to Y237, a new low for the year. consumer spending now that Trading in the stock had been the elections are over. Tha halted on Wednesday, followcomposite index retreated 16.42 ing reports that a rescue to 958.63 SINGAPORE was easier. package was being pegotiated

between the Bank of Japan with the market mood bearish and several creditor banks. amid selling of Malaysian However, investors were disshares traded over the counter. couraged by later denials of The Straits Times Industrial such discussions from Hyogo's index ended 7.63 off at 2,056.00, while the UOB OTC index. NTT Data Communications, tracking Malaysian shares, fell which made a strong second 11.38 to 1,049.04.

session debut on Wednesday, HONG KONG regained its rose Y160,000 to Y1.47m, Howequilibrium after Wednesday's ever, Nippon Telegraph and 2.6 per cent fall, and the Hang Telephone, the company's par-Seng index improved 26.60 to 8,312.29, but turnover fell to HK\$2.7bn from HK\$4.3bn. ent. lost Y7,000 at Y752,000. In Osaka, the OSE average was ahead 40.53 at 18,303.88 in volume of 10.4m shares. Nin-

Cheung Kong shed 40 cents to HK\$32.50 after sliding HK\$1.30 on Wednesday, while

### Malavsia KLSE Composite 1,200

its Hutchison associate edged down 10 cents to HK\$33.20, the continued weakness attributed

by some analysts to concerns

over a renewed dip in the

Sep 1994

shares dived 9.2 per cent to their low for the day on rumours that Deng Xiaoping was in hospital, before the mdex recovared some composure to finish 30.755 or 4.9 per cent down at 593.352. The hard currency B index was steady after posting two days of record lows, closing 0.004 better at 50.306.

SHANGHAI's domestic A

market

SYDNEY was lifted by better than expected CPI data and the All Ordinaries index added 28.1 at 2,032.4 in A\$590m turnover.

JAKARTA was upset by a rumour, quickly demed by the authorities, that President Suharto was in ill health. The composite index ended 2.52. easier at 417.08.

BANGKOK saw heavy for-

recently reviving property eign buying in the finance sector which lifted the SET index 10.24 to 1,171.86 in volume of 53.8m shares worth Bt4.06bn. Investors picked up bargains in the finance sector, which had fallen by more than 50 per cent since the start of the year. National Finance & Securities made Bt6.50 to Bt76 after announcing better than expected first quarter results.
---BOMBAY was sharply lower

as individual investors and funds sold heavily in blue chins. The BSE 30-share index fell 54.08 to 3.210.71.

Reliance Industries dropped Rs11.25 to Rs262.50 on unconfirmed reports that the Unit Trust of India (UTD) had been "wa" raided by the income tax department, investigating a private placement of Reliance shares with UTI last October.

## Profits are taken among

Mexican equities reversed

first-quarter net loss of 390m pesos oo Wednesday, slipped SAO PAULO added to which the government was expected to announce measures to curb economic growth. The Bovespa index had gained 418 at 38,677 in turnover of R\$156.2m (\$170m). BUENOS AIRES encountered

profit-taking after the Merval index had seen a rise of 20 per cent over the last five sessions. The index was down 1.76 at 420.68 by midsession in turnover of 21.4m pesos. CARACAS made forward progress in spite of a lack of corporate news. The Merinvest composite index closed 0.55 firmer at 90.73.

strategist at UBS Securities. Sekiyu gained Y20 at Y1.100.

#### aged by the yen's fall. Roundup

president.

Diverse influences drove trading in the regional markets. ward as the market rebounded following Wednesday's 12month low. The weighted index rallied 163.30 or 2.9 per cent to 5.898.53. Turnover was T\$41bn. Brokers noted that investors had now discounted

tendo, the video game maker,

firmed Y10 to Y5,400 on huying

by corporate investors encour-

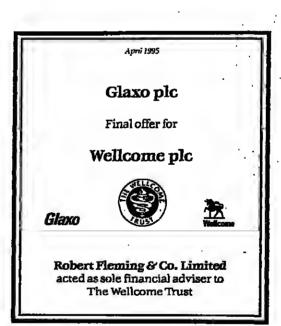
reports of the ill-health of Chinese leader Deng Xiaoping. Financial shares led the gains, with the sub-index up 4.6 per cent and the major banks, Chang Hwa, First Commercial and Hwa Nan, gaining T\$5, T\$4 and T\$5 respectively at T\$107.50, T\$108 and T\$111.50.

SEOUL was encouraged by the government's steps to stimulate the market, which included a cut in cash deposit rules to 20 per cent for individual investors. The composite stock index added 13.15 at 893.88. Some brokers said investors also tended to believe rumours that the government was planning another boost, by allowing the Korea Stock Market Stabilisation Fund to lend money to securities houses to

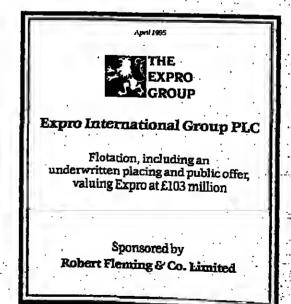
support the market. KUALA LUMPUR was 1.7 per cent lower as foreign investors. particularly those in Hong

# A great start to 1995

95 Apr









These announcements appear as a matter of record only

154.72 173.98 180.20 119.08 153.99 134.31 155.82 171.82 178.79 123.47 196.17 129.61 135.51 272.18 197.51 188.17 154.05 337.93 Beiglum (35) Brazil (26)..... 68.88 69.93 140.46 101.92 97.10 79.49 174.35 115.34 37.06 140.25 275.27 124.55 249.88 183.82 171.61 303.04 206.50 66.36 441.58 952.59 224.36 328.68 322.51 125.80 226.45 120.54 Canada (102) 236.S1 183.88 157.79 106.21 99.15 61.82 175.08 140.16 133.53 108.32 239.81 .186.46 .153.86 .329.24 154.61 132.06 416.42 277.40 224.36 180.67 97.78 65.45 170.10 136.95 594.76 396.18 2414.12 647.81 243.79 194.56 83.23 63.45 225.33 177.53 381.84 190.45 95.50 310.43 335.65 Hong Kong (55) 239.81 335.85 416.42 15.63 191.78 224.32 15.63 90.48 97.78 116.96 85.05 170.10 349.65 485.29 594.76 738.12 6840.41 2414.12 173.01 170.07 243.79 59.08 65.48 63.23 159.90 188.33 225.33 159.90 188.33 225.33 119.31 38.34 84.67 256.13 550.37 129.63 43.93 119.22 205.32 65.98 151.40 224.36 ...72.10 .159.22 85.05 254.25 535.28 128.80 42.95 116.28 164.82 482.61 952.88 223.95 .479.77 492,70 1037,31 243,79 83,23 225,33 371,82 351,13 137,25 248,39 186,98 138,44 78.46 206.99 New Zeeland (14) ...82.80 Norway (33) 341.56 322.55 126.08 191.87 181.18 70.82 128.18 65.49 71.44 263,87 238,34 249,18 277,19 97,40 127,11 178,28 270,29 132,69 130,71 .367,98 195.68 186.38 72.57 132.57 401.38 313.94 363.13 254.99 180.21 124.10 Spath (38). 228,18 171,76 127,17 249.30 170.82 127.23 98.70 73.51 111.94 183.26 181.25 99.25 131.76 186.60 98,24 131,64 149,19 193,12 148,58 209,38 -0.1 0.1 0.1 Thalland (46) 151.15 193.75 150.50 209.60 193.12 192.33 108.49 108.04 United Kingdom (203 .210.51 209.60 209.38 USA (510)... 136.26 180.97 130.63 182.24 171.12 213.98 121.79 95.21 125.40 116.96 145.34 204.27 117.85 123.28 171.40 211.79 125.80 120.36 130.73 141.91 141.98 184.96 99.09 94.99 124,43 88.56 91.18 105.68 65.55 176.39 189.08 138.05 131.93 181.18 153.05 2.69 3.21 1.91 1.27 2.12 2.63 3.34 2.13 2.15 2.93 192.02 184.07 Europe (741)... 169.11 97.70 222.53 153.06 128.57 88.43 173.60 118.41 215.12 94.68 241.14 171.61 221.51 157.65 241.79 Pactfic Basin (822) 176.86 145.93 176.70 154.73 124.55 147.19 118.51 171.07 124.90 130.89 159.65 186.98 92.24 109.01 87.84 116.86 204.46 130.12 162.32 186.13 152.29 205.09 185.79 273.13 176.99 North America (512) 176.47 152.04 Europe Ex. UK (538) .165.19 124.83 91.33 95.06 103.25 Pacific Ex. Japan (33 World Ex. US (1770) 126.69 92.50 221.87 162.58 169.22 .173.65 155.42 184.21 163.46 200.08 176.74 167.52 98.79 199.88 189.83 98.12 132.49 146.39 2.35 188.51 171.33 96.25 132.36 146.40 186.51 165.82 171.85 184.52